

The following sources were used in compiling this template:

All the new GRAP standards were reviewed to ensure that accounting policies are adequate and to ensure that all relevant disclosures are included in the

1 notes as required by the GRAP standards.

The Specimen Municipal Financial Statements of National Treasury (2006)
2 were used as a starting point for this template.

The process followed for preparation of this template was as follows:

Read through the GRAP standards / GRAP summaries one by one to compile
1 a complete, updated and fully compliant set of accounting standards.

Searched for sample trial balances of municipalities and compiled a standardised "chart of accounts" (SCOA) based on the accounts most commonly applicable to municipalities, and meeting the disclosure requirements
2 of GRAP.

The SCOA should be used by municipalities preparing financial statements, by linking their own trial balance figures to the SCOA (thus mapping the accounts). The financial statement template has formulae linked to the SCOA which will then pull through to the individual template sheets, effectively populating the disclosure on behalf of the user. The level of automation has been kept fairly simple at this stage and the user must still ensure that the data
3 in the TB has been accurately portrayed in the AFS.

Read through the GRAP standards one by one to compile the notes to the financial statements in accordance with the required disclosure in the
4 accounting standards.

Annual Financial Statements

for

Namakwa District Municipality

for the year ended 30 June: **2014**

Province:	Northern Cape
AFS rounding:	R (i.e. only cents)

Contact Information:

Name of Municipal Manager:	Madeleinne Lesley Brandt
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Namakwa District Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

General information

Members of the Council

BG Vass	Mayor
MS Cardinal	Speaker
P van Heerden	Member of the Executive Committee
SD Hoskin	Member of the Executive Committee
FX Cupido	Member of the Executive Committee
EC Drage-Maritz	Member
SF Nieuwoudt	Member
CR Warne	Member
J Swarts	Member
P van Heerden	Member
KR Groenewald	Member
S van Wyk	Member
J van der Colff	Member
WJ Links	Member
GJ Coetzee	Member
SJ Engelbrecht	Member

Municipal Manager

Madeleinne Lesley Brandt

Chief Financial Officer

Rajiv Datadin

Grading of Local Authority

The Namakwa District Municipality includes the municipal areas of Khai-Ma Municipality, Nama Khoi Municipality, Richtersveld Municipality, Kamiesberg Municipality, Hantam Municipality and Karoo Hoogland Municipality.

Auditors

Auditor-General

Bankers

Absa Bank

Namakwa District Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

General information (continued)

Registered Office: Namakwa District Municipality Building

Physical address:
Van Riebeeck Street
Springbok
8240

Postal address:
Private Bag X20
SPRINGBOK
8240

Telephone number: (027) 712 8000

Fax number: (027) 712 8040

E-mail address: info@namakwa-dm.gov.za

Relevant Legislation:

Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Systems Amendment Act (Act no 7 of 2011)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Housing Act (Act no 107 of 1997)
Municipal Property Rates Act (Act no 6 of 2004)
Electricity Act (Act no 41 of 1987)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1966)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Infrastructure Grants
SALBC Leave Regulations
Municipal Budget and Reporting Regulations

Namakwa District Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

Approval of annual financial statements

I am responsible for the preparation of these annual financial statements, which are set out on pages 5 to 96, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in note 28 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Acting Municipal Manager: **Christiaan Jacobus Fortuin**

05 November 2014

Namakwa District Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

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Namakwa District Municipality
STATEMENT OF FINANCIAL POSITION
as at 30 June 2014

	Note	2014 R	2013 R
ASSETS			
Current assets			
Cash and cash equivalents	1	49 501 657	59 254 671
Receivables from non-exchange transactions	2	1 127 214	795 516
VAT receivable	8	330 201	32 602
Non-current assets			
Investments	3	1 146	1 146
Property, plant and equipment	4	10 212 839	8 329 669
Intangible assets	5	1 043 650	1 223 466
Investment property carried at cost	6	199 030	217 124
Total assets		62 415 736	69 854 194
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	7	2 825 423	8 820 209
Current employee benefits	9	3 248 711	3 040 845
Current portion of unspent conditional grants and receipts	10	9 049 487	3 530 631
Current portion of finance lease liability	11	72 062	85 631
Non-current liabilities			
Non-current finance lease liability	11	137 407	146 078
Non-current employee benefits	12	18 031 006	17 958 383
Total liabilities		33 364 094	33 581 776
Net assets		29 051 642	36 272 419
NET ASSETS			
Reserves		1 514 731	939 256
Accumulated surplus / (deficit)		27 536 911	35 333 164
Total net assets		29 051 642	36 272 419

Namakwa District Municipality
STATEMENT OF FINANCIAL PERFORMANCE
for the year ending 30 June 2014

	Note	2014 R	2013 R
Revenue			
Revenue from Non-exchange Transactions		39 463 625	37 309 876
Transfer Revenue			
Government grants and subsidies	16	39 078 920	37 269 056
Other Revenue			
Actuarial Gains	17	384 705	40 820
Revenue from Exchange Transactions		4 782 369	6 695 477
Rental of facilities and equipment	13	585 122	571 610
Interest earned - external investments	14	2 805 105	3 065 503
Interest earned - outstanding receivables	15	59 053	61 165
Other income	17	1 333 090	2 997 198
Total revenue		44 245 994	44 005 353
Expenses			
Employee related costs	18	25 015 831	18 466 654
Remuneration of councillors	19	2 422 303	2 280 503
Debt impairment	2	349 828	1 450 592
Depreciation and amortisation expense	20	1 877 911	1 866 308
Repairs and maintenance		662 412	780 106
Finance costs	21	1 494 457	1 202 144
Contracted services	22	469 206	68 808
Grants and subsidies paid	23	3 425 414	4 319 532
General expenses	24	15 761 874	21 107 462
Total expenses		51 479 235	51 542 110
Gain / (loss) on sale of assets	25	13 665	(234 737)
(Impairment loss) / Reversal of impairment loss	26	(1 202)	(2 169)
Surplus / (deficit) for the period		(7 220 777)	(7 773 663)

Namakwa District Municipality
STATEMENT OF CHANGES IN NET ASSETS
as at 30 June 2014

Note	Contingency Fund	Maintenance fund	Capital Replacement Reserve	Total: Reserves	Accumulated Surplus/(Deficit)	Total: Net Assets
	R	R	R	R	R	R
Balance at 30 June 2012	791 594	22 233	959 150	1 772 977	40 585 764	42 358 740
Changes in accounting policy	-	-	-	-	-	-
Correction of prior period error	27.7	-	-	-	1 687 342	1 687 342
Restated balance	791 594	22 233	959 150	1 772 977	42 273 105	44 046 082
Surplus / (deficit) on revaluation of property of property, plant and equipment			-	-	-	-
Property, Plant and Equipment purchased			(833 721)	(833 721)	833 721	-
Transfer to CRR			-	-	-	-
Surplus / (deficit) for the period			-	-	(7 773 663)	(7 773 663)
Balance at 30 June 2013	791 594	22 233	125 429	939 256	35 333 164	36 272 419
Surplus / (deficit) on revaluation of property of property, plant and equipment			-	-	-	-
Transfer from reserves	(389 064)	(22 233)	-	(411 297)	411 297	-
Property, Plant and Equipment purchased	-	-	(2 579 798)	(2 579 798)	2 579 798	-
Transfer to CRR	-	-	3 566 571	3 566 571	(3 566 571)	-
Surplus / (deficit) for the period	-	-	-	-	(7 220 777)	(7 220 777)
Balance at 30 June 2014	402 530	-	1 112 202	1 514 731	27 536 911	29 051 642

Namakwa District Municipality

CASH FLOW STATEMENT

as at 30 June 2014

	Note	2014 R	2013 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		48 698 619	41 994 116
Taxation - Property Rates		44 344	39 833
Sales of goods and services		-	-
Grants		43 713 776	36 450 053
Interest received		2 805 105	3 065 503
Other receipts		2 135 394	2 438 726
Payments		54 878 686	43 118 773
Employee costs		28 232 338	19 643 634
Suppliers		26 611 289	23 444 593
Interest paid		35 059	30 547
Net cash flows from operating activities	28	(6 180 066)	(1 124 658)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(3 648 062)	(1 673 790)
Purchase of Intangible Assets		(95 758)	(19 588)
Proceeds from disposal of assets		193 112	-
Purchase of foreign currency securities			
Net cash flows from investing activities		(3 550 708)	(1 693 378)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans raised		71 990	138 322
Repayment of borrowings		(94 230)	(62 391)
Proceeds from finance lease liability			
Repayment of finance lease liability			
Net cash flows from financing activities		(22 240)	75 931
Net increase / (decrease) in net cash and cash equivalents		(9 753 014)	(2 742 105)
Net cash and cash equivalents at beginning of period		59 254 671	61 996 377
Net cash and cash equivalents at end of period	29	49 501 657	59 254 271

Namakwa District Municipality
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL POSITION
for the year ended 30 June 2014

Notes	Original Budget	Budget Adjustments	Final Adjustment Budget	Shifting of Funds	Virement	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget							
								(i.t.o. s28 and s31 of the MFMA)							
								(i.t.o. Council approved by-law)							
ASSETS															
Current Assets															
Cash	43.2.1	3 242 596	114 012	3 356 608	-	3 356 608	4 615 825	37.51%							
Call Investment Deposits		46 730 910	-	46 730 910	-	46 730 910	44 885 831	-3.95%							
Consumer Debtors		-	-	-	-	-	-	-							
Other Debtors	43.2.1	1 850 000	(850 000)	1 000 000	-	1 000 000	1 457 415	45.74%							
Current Portion of long-term receivables		-	-	-	-	-	-	-							
Inventory		-	-	-	-	-	-	-							
Total Current Assets	43.2.1	51 823 506	(735 988)	51 087 518	-	51 087 518	50 959 072	99.75%							
Non-Current Assets															
Long-term receivables		-	-	-	-	-	-	-							
Investments		1 146	-	1 146	-	1 146	1 146	-							
Investment Property	43.2.2	-	184 549	184 549	-	184 549	199 030	7.85%							
Investment in Associates		-	-	-	-	-	-	-							
Property, Plant and Equipment	43.2.2	8 700 158	(831 536)	7 868 622	-	7 868 622	10 212 839	29.79%							
Agricultural Assets		-	-	-	-	-	-	-							
Biological Assets		-	-	-	-	-	-	-							
Intangible Assets		-	-	-	-	-	-	-							
Other Non-Current Assets		1 475 916	(524 488)	951 428	-	951 428	1 043 650	9.69%							
Total Non-Current Assets	43.2.2	10 177 220	(1 171 475)	9 005 745	-	9 005 745	11 456 665	27.22%							
TOTAL ASSETS		62 000 726	(1 907 463)	60 093 263	-	60 093 263	62 415 736	3.86%							
LIABILITIES															
Current Liabilities															
Bank Overdraft		-	-	-	-	-	-	-							
Borrowing	43.2.3	-	-	-	-	-	72 062	100.00%							
Consumer Deposits		-	-	-	-	-	-	-							
Trade and Other Payables	43.2.3	4 453 317	(394 502)	4 058 815	-	4 058 815	11 874 909	192.57%							
Provisions	43.2.3	3 121 371	(1 500 111)	1 621 260	-	1 621 260	3 248 711	100.38%							
Total Current Liabilities	43.2.3	7 574 688	(1 894 613)	5 680 075	-	5 680 075	15 195 682	167.53%							
Non-Current Liabilities															
Borrowing	43.2.4	102 771	43 306	146 077	-	146 077	137 407	-5.94%							
Provisions	43.2.4	17 505 926	2 320 287	19 826 213	-	19 826 213	18 031 006	-9.05%							
Total Non-Current Liabilities	43.2.4	17 608 697	2 363 593	19 972 290	-	19 972 290	18 168 412	-9.03%							
TOTAL LIABILITIES		25 183 385	468 980	25 652 365	-	25 652 365	33 364 094	30.06%							
NET ASSETS															
Accumulated Surplus/(Deficit)	43.2.5	34 062 341	(3 313 443)	30 748 898	-	30 748 898	27 536 911	-10.45%							
Reserves	43.2.5	2 755 000	937 000	3 692 000	-	3 692 000	1 514 731	-58.97%							
Minorities' Interests		-	-	-	-	-	-	0.00%							
TOTAL NET ASSETS	43.2.5	36 817 341	(2 376 443)	34 440 898	-	34 440 898	29 051 642	-15.65%							

Namakwa District Municipality
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 30 June 2014

Notes	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final Adjustment Budget	Shifting of Funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved by-law)	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget
								2014
								R %
REVENUE								
Property Rates		-	-	-	-	-	-	-
Property Rates - Penalties & Collection Charges		-	-	-	-	-	-	-
Service Charges - Electricity Revenue		-	-	-	-	-	-	-
Service Charges - Water Revenue		-	-	-	-	-	-	-
Service Charges - Sanitation Revenue		-	-	-	-	-	-	-
Service Charges - Refuse Revenue		-	-	-	-	-	-	-
Service Charges - Other Revenue		-	-	-	-	-	-	-
Rental of Facilities and Equipment	43.2.6	927 375	-	927 375		927 375	585 122	-36.91%
Interest Earned - External Investments	43.2.6	1 450 000	-	1 450 000		1 450 000	2 805 105	93.46%
Interest Earned - Outstanding Debtors	43.2.6	100 000	-	100 000		100 000	59 053	-40.95%
Dividends Received		-	-	-	-	-	-	-
Fines		5 000	-	5 000		5 000	-	-
Licences and Permits		-	-	-	-	-	-	-
Agency Services	43.2.6	13 956 561	-	13 956 561		13 956 561	5 311 472	-61.94%
Transfers Recognised - Operational	43.2.6	60 767 667	(4 306 171)	56 461 496		56 461 496	45 779 969	-18.92%
Other Revenue	43.2.6	1 325 000	-	1 325 000		1 325 000	1 717 795	29.64%
Gains on Disposal of PPE	43.2.6	-	400 000	400 000	-	400 000	13 665	-96.58%
Total Revenue (excluding capital transfers and contributions)	43.2.6	78 531 603	(3 906 171)	74 625 432	-	74 625 432	56 272 180	-24.59%
EXPENDITURE								
Employee Related Costs		32 728 367	1 200 166	33 928 533		33 928 533	32 379 649	-4.57%
Remuneration of Councillors		2 433 578	70 000	2 503 578		2 503 578	2 422 303	-3.25%
Debt Impairment		-	-	-	-	-	349 828	0.00%
Depreciation and Asset Impairment	43.2.7	1 951 200	(20 000)	1 931 200		1 931 200	1 877 911	-2.76%
Finance Charges	43.2.7	1 171 597	-	1 171 597	-	1 171 597	1 494 457	27.56%
Bulk Purchases		-	-	-	-	-	-	-
Other Materials		-	-	-	-	-	-	-
Contracted Services	43.2.7	8 520 973	-	8 520 973		8 520 973	469 206	-94.49%
Transfers and Grants	43.2.7	10 975 000	(919 000)	10 056 000		10 056 000	3 425 414	-65.94%
Other Expenditure	43.2.7	32 182 630	(5 308 349)	26 874 281		26 874 281	21 074 190	-21.58%
Loss on Disposal of PPE		-	-	-	-	-	-	0.00%
Total Expenditure	43.2.7	89 963 345	(4 977 183)	84 986 162	-	84 986 162	63 492 957	-25.29%

Surplus/(Deficit)	(11 431 742)	1 071 012	(10 360 730)	-	-	(10 360 730)	(7 220 777)	-30.31%
Transfers Recognised - Capital	645 000	810 000	1 455 000			1 455 000	-	-100.00%
Contributions Recognised - Capital	-	-	-	-	-	-	-	-
Contributed Assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) after Capital Transfers & Contributions	(10 786 742)	1 881 012	(8 905 730)	-	-	(8 905 730)	(7 220 777)	-18.92%
Taxation	-	-	-	-	-	-	-	-
Surplus/(Deficit) after Taxation	(10 786 742)	1 881 012	(8 905 730)	-	-	(8 905 730)	(7 220 777)	-18.92%
Attributable to Minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) Attributable to Municipality	(10 786 742)	1 881 012	(8 905 730)	-	-	(8 905 730)	(7 220 777)	-18.92%
Share of Surplus/(Deficit) of Associate	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(10 786 742)	1 881 012	(8 905 730)	-	-	(8 905 730)	(7 220 777)	-18.92%

Namakwa District Municipality
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
CASH FLOW STATEMENT
for the year ended 30 June 2014

Notes	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final Adjustment Budget	Shifting of Funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved by-law)	Final Budget	Actual Outcome 2014	Actual Outcome as % of Final Budget
								%
	R	R	R	R	R	R	R	%

CASH FLOW FROM OPERATING ACTIVITIES

Receipts

Ratepayers and other	43.2.8	16 313 936	850 000	17 163 936		17 163 936	2 179 738	-87.30%
Government - Operating	43.2.8	60 767 667	(2 866 171)	57 901 496		57 901 496	42 339 227	-26.88%
Government - Capital	43.2.8	645 000	(630 000)	15 000		15 000	1 374 549	9063.66%
Interest	43.2.8	1 450 000	-	1 450 000		1 450 000	2 805 105	93.46%
Dividends		-	-	-		-	-	-

Payments

Suppliers and Employees	43.2.8	(71 094 995)	9 524 881	(61 570 114)		(61 570 114)	(51 418 213)	-16.49%
Finance Charges	43.2.8	-	-	-		-	(35 059)	-100.00%
Transfers and Grants	43.2.8	(10 975 000)	919 000	(10 056 000)		(10 056 000)	(3 425 414)	-65.94%

Net Cash from/(used) Operating Activities

43.2.8	(2 893 392)	7 797 710	4 904 318	-	-	4 904 318	(6 180 066)	-226.01%
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CASH FLOW FROM INVESTING ACTIVITIES

Receipts

Proceeds on disposal of PPE	43.2.9	-	400 000	400 000	-	400 000	193 112	-51.72%
Decrease/(Increase) in Non-Current Debtors		-	-	-	-	-	-	-
Decrease/(Increase) in Other Non-Current Receivables		-	-	-	-	-	-	-
Decrease/(Increase) in Non-Current Investments		-	-	-	-	-	-	-

Payments

Capital Assets	43.2.9	(3 400 000)	(1 747 000)	(5 147 000)	-	(5 147 000)	(3 743 820)	-27.26%
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Net Cash from/(used) Investing Activities

43.2.9	(3 400 000)	(1 347 000)	(4 747 000)	-	-	(4 747 000)	(3 550 708)	-25.20%
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CASH FLOW FROM FINANCING ACTIVITIES

Receipts

Short Term Loans	43.2.10	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	71 990	100.00%
Increase/(Decrease) in Consumer Deposits		-	-	-	-	-	-	-

Payments

Repayment of Borrowing	43.2.10	-	(43 306)	(43 306)	-	(43 306)	(94 230)	117.59%
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Net Cash from/(used) Financing Activities

43.2.10	-	(43 306)	(43 306)	-	-	(43 306)	(22 240)	-48.65%
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NET INCREASE/(DECREASE) IN CASH HELD
 Cash and Cash Equivalents at the year begin:

(6 293 392)	6 407 404	114 012	-	-	114 012	(9 753 014)	-8654.38%
56 266 898	(6 293 392)	49 973 506	-	-	49 973 506	59 254 671	18.57%

Cash and Cash Equivalents at the year end:

49 973 506	114 012	50 087 518	-	-	50 087 518	49 501 657	-1.17%
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Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
1 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents consist of the following:			
Cash on hand		805	805
Cash at bank		4 615 020	3 133 191
Call deposits		44 885 831	56 120 675
		49 501 657	59 254 671

Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.

Call Investments Deposits to an amount of R11 281 323 are held to fund the Unspent Conditional Grants (2013: R5 787 286).

The Municipality has the following bank accounts: -

Current Account (Primary Bank Account)

ABSA Bank Limited - Account Number 2210000014 (Primary Bank Account):		4 615 020	3 132 791
Cash book balance at beginning of year		3 133 191	4 266 519
Correction of error - Note 27.5		-	400
Cash book balance at end of year		4 615 020	3 133 191
Bank statement balance at beginning of year		3 139 943	4 272 316
Bank statement balance at end of year		4 650 011	3 139 943

Call Investment Deposits

ABSA Bank Limited - Account Number 2218151720 (Capital Replacement Reserve):		1 112 202	125 429
BOE Bank - Account Number NAMAK001/83 (Call Deposit):		28 244 523	39 301 957
ABSA Bank Limited - Account Number 90 6918 2890 (Call Deposit):		648 963	648 963
ABSA Bank Limited - Account Number 20 6629 1015 (Call Deposit):		900 706	477 034
ABSA Bank Limited - Account Number 20 7051 8265 (Call Deposit):		-	310 426
ABSA Bank Limited - Account Number 90 7473 1242 (Leave Reserve):		1 026 355	1 104 653
ABSA Bank Limited - Account Number 91 1091 2063 (Finance Management Grant):		50 229	74 944
Nuweveld Co-op (Members Interest Fund):		1 804	1 804
ABSA Bank Limited - Account Number 22 1815 8326 (Contingency Fund):		402 530	791 594
ABSA Bank Limited - Account Number 91 0726 5605 (Municipal System Improvement Grant):		2 454	3 115
ABSA Bank Limited - Account Number 91 9251 2118 (Swartzkop Sportgrounds):		207 475	207 475
ABSA Bank Limited - Account Number 91 9251 2477 (Spoegrivier Sportgrounds):		5 290	5 290
ABSA Bank Limited - Account Number 91 0726 6025 (Richtersveld Special Fund):		3 013	3 013
ABSA Bank Limited - Account Number 91 4340 6867 (EPWP):		81 134	416 523
ABSA Bank Limited - Account Number 91 0726 7005 (IDP):		458 222	342 065
ABSA Bank Limited - Account Number 91 0726 7128 (Fencing):		-	42 555
ABSA Bank Limited - Account Number 91 0726 7209 (Kamiesberg Special Fund):		2 297	2 297
ABSA Bank Limited - Account Number 91 0726 7306 (Border Fencing):		54 239	54 239
ABSA Bank Limited - Account Number 90 7473 1365 (Maintenance Fund):		-	22 233
ABSA Bank Limited - Account Number 91 0726 7770 (Sakrivier Bridge):		8 187	8 187
ABSA Bank Limited - Account Number 91 0809 6615 (Namakwa Sanitation Bucket System):		213 395	213 395
ABSA Bank Limited - Account Number 91 8438 7915 (Fire Equipment Grant):		896 659	913 410
ABSA Bank Limited - Account Number 91 0809 6924 (PIMMS):		2 255	2 255
ABSA Bank Limited - Account Number 91 0991 1123 (Department of Transport):		2 631 487	2 631 487
ABSA Bank Limited - Account Number 91 1641 4273 (Drought Relief):		-	73 874
ABSA Bank Limited - Account Number 91 1931 2230 (Electronic Filing System):		15 227	15 227
ABSA Bank Limited - Account Number 91 2120 8647 (Training Fund SETA):		2 000	81 276
ABSA Bank Limited - Account Number 91 2287 0758 (MIG):		5 546	5 546
ABSA Bank Limited - Account Number 91 2356 3504 (Work for Water):		258 160	6 023 669
ABSA Bank Limited - Account Number 92 7425 5686 (Dept. Agriculture, Forestry and Fisheries):		1 009 266	1 525 628
ABSA Bank Limited - Account Number 92 7425 5709 (Civil Defence Grant):		217 000	691 112
ABSA Bank Limited - Account Number 92 7425 5074 (Khotso Pula Nala):		6 425 215	-
Sub-total for Call Investment Deposits		44 885 831	56 120 675

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
<i>Total Call Investment Deposits are as follows:</i>			
Cash book balance at beginning of year		56 120 675	57 729 052
Cash book balance at end of year		<u>44 885 831</u>	<u>56 120 675</u>
Bank statement balance at beginning of year		56 137 453	57 729 052
Bank statement balance at end of year		<u>44 885 831</u>	<u>56 137 453</u>
<i>Details of Call Investment Deposits are as follows:</i>			
ABSA Bank Limited - Account Number 2218151720 (Capital Replacement Reserve):			
Cash book balance at beginning of year		125 429	959 150
Cash book balance at end of year		<u>1 112 202</u>	<u>125 429</u>
Bank statement balance at beginning of year		125 429	959 329
Bank statement balance at end of year		<u>1 112 202</u>	<u>125 429</u>
BOE Bank - Account Number NAMAK001/83 (Call Deposit):			
Cash book balance at beginning of year		39 301 957	37 229 986
Cash book balance at end of year		<u>28 244 523</u>	<u>39 301 957</u>
Bank statement balance at beginning of year		39 301 957	37 229 986
Bank statement balance at end of year		<u>28 244 523</u>	<u>39 301 957</u>
ABSA Bank Limited - Account Number 90 6918 2890 (Call Deposit):			
Cash book balance at beginning of year		648 963	648 963
Cash book balance at end of year		<u>648 963</u>	<u>648 963</u>
Bank statement balance at beginning of year		648 963	650 619
Bank statement balance at end of year		<u>648 963</u>	<u>648 963</u>
ABSA Bank Limited - Account Number 20 6629 1015 (Call Deposit):			
Cash book balance at beginning of year		477 034	6 164 552
Cash book balance at end of year		<u>900 706</u>	<u>477 034</u>
Bank statement balance at beginning of year		477 034	6 164 552
Bank statement balance at end of year		<u>900 706</u>	<u>477 034</u>
ABSA Bank Limited - Account Number 20 7051 8265 (Call Deposit):			
Cash book balance at beginning of year		310 426	296 367
Cash book balance at end of year		<u>-</u>	<u>310 426</u>
Bank statement balance at beginning of year		310 426	296 367
Bank statement balance at end of year		<u>-</u>	<u>310 426</u>

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
ABSA Bank Limited - Account Number 90 7473 1242 (Leave Reserve):			
Cash book balance at beginning of year		1 104 653	819 796
Cash book balance at end of year		<u>1 026 355</u>	<u>1 104 653</u>
Bank statement balance at beginning of year		1 107 498	821 930
Bank statement balance at end of year		<u>1 026 355</u>	<u>1 107 498</u>
ABSA Bank Limited - Account Number 91 1091 2063 (Finance Management Grant):			
Cash book balance at beginning of year		74 944	151 377
Cash book balance at end of year		<u>50 229</u>	<u>74 944</u>
Bank statement balance at beginning of year		75 458	152 081
Bank statement balance at end of year		<u>50 229</u>	<u>75 458</u>
Nuweveld Co-op (Members Interest Fund):			
Cash book balance at beginning of year		1 804	1 804
Cash book balance at end of year		<u>1 804</u>	<u>1 804</u>
Bank statement balance at beginning of year		1 804	1 804
Bank statement balance at end of year		<u>1 804</u>	<u>1 804</u>
ABSA Bank Limited - Account Number 22 1815 8326 (Contingency Fund):			
Cash book balance at beginning of year		791 594	791 594
Cash book balance at end of year		<u>402 530</u>	<u>791 594</u>
Bank statement balance at beginning of year		791 594	791 829
Bank statement balance at end of year		<u>402 530</u>	<u>791 594</u>
ABSA Bank Limited - Account Number 91 0726 5605 (Municipal System Improvement Grant):			
Cash book balance at beginning of year		3 115	48 076
Cash book balance at end of year		<u>2 454</u>	<u>3 115</u>
Bank statement balance at beginning of year		3 115	45 385
Bank statement balance at end of year		<u>2 454</u>	<u>3 115</u>
ABSA Bank Limited - Account Number 91 9251 2118 (Swartzkop Sportgrounds):			
Cash book balance at beginning of year		207 475	207 475
Cash book balance at end of year		<u>207 475</u>	<u>207 475</u>
Bank statement balance at beginning of year		207 475	208 005
Bank statement balance at end of year		<u>207 475</u>	<u>207 475</u>
ABSA Bank Limited - Account Number 91 9251 2477 (Spoegrivier Sportgrounds):			
Cash book balance at beginning of year		5 290	5 290
Cash book balance at end of year		<u>5 290</u>	<u>5 290</u>
Bank statement balance at beginning of year		5 290	5 303
Bank statement balance at end of year		<u>5 290</u>	<u>5 290</u>

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
ABSA Bank Limited - Account Number 91 0726 6025 (Richtersveld Special Fund):			
Cash book balance at beginning of year		3 013	3 064
Cash book balance at end of year		<u>3 013</u>	<u>3 013</u>
Bank statement balance at beginning of year		3 013	3 021
Bank statement balance at end of year		<u>3 013</u>	<u>3 013</u>
ABSA Bank Limited - Account Number 91 4340 6867 (EPWP):			
Cash book balance at beginning of year		416 523	553 197
Cash book balance at end of year		<u>81 134</u>	<u>416 523</u>
Bank statement balance at beginning of year		416 523	554 612
Bank statement balance at end of year		<u>81 134</u>	<u>416 523</u>
ABSA Bank Limited - Account Number 91 0726 7005 (IDP):			
Cash book balance at beginning of year		342 065	382 368
Cash book balance at end of year		<u>458 222</u>	<u>342 065</u>
Bank statement balance at beginning of year		342 065	383 345
Bank statement balance at end of year		<u>458 222</u>	<u>342 065</u>
ABSA Bank Limited - Account Number 91 0726 7128 (Fencing):			
Cash book balance at beginning of year		42 555	42 555
Cash book balance at end of year		<u>-</u>	<u>42 555</u>
Bank statement balance at beginning of year		42 555	42 664
Bank statement balance at end of year		<u>-</u>	<u>42 555</u>
ABSA Bank Limited - Account Number 91 0726 7209 (Kamiesberg Special Fund):			
Cash book balance at beginning of year		2 297	2 297
Cash book balance at end of year		<u>2 297</u>	<u>2 297</u>
Bank statement balance at beginning of year		2 297	2 303
Bank statement balance at end of year		<u>2 297</u>	<u>2 297</u>
ABSA Bank Limited - Account Number 91 0726 7306 (Border Fencing):			
Cash book balance at beginning of year		54 239	54 239
Cash book balance at end of year		<u>54 239</u>	<u>54 239</u>
Bank statement balance at beginning of year		54 239	54 378
Bank statement balance at end of year		<u>54 239</u>	<u>54 239</u>
ABSA Bank Limited - Account Number 91 0726 7372 (SA Projects):			
Cash book balance at beginning of year		<u>-</u>	<u>205 909</u>
Cash book balance at end of year		<u>-</u>	<u>-</u>
Bank statement balance at beginning of year		<u>-</u>	<u>206 435</u>
Bank statement balance at end of year		<u>-</u>	<u>-</u>

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
ABSA Bank Limited - Account Number 90 7473 1365 (Maintenance Fund):			
Cash book balance at beginning of year		22 233	22 233
Cash book balance at end of year		-	22 233
Bank statement balance at beginning of year		22 290	22 290
Bank statement balance at end of year		-	22 290
ABSA Bank Limited - Account Number 91 0726 7770 (Sakrivier Bridge):			
Cash book balance at beginning of year		8 187	8 187
Cash book balance at end of year		8 187	8 187
Bank statement balance at beginning of year		8 187	8 208
Bank statement balance at end of year		8 187	8 187
ABSA Bank Limited - Account Number 91 0726 5485 (Komaggas Tar Road):			
Cash book balance at beginning of year		-	4 371
Cash book balance at end of year		-	-
Bank statement balance at beginning of year		-	4 382
Bank statement balance at end of year		-	-
ABSA Bank Limited - Account Number 91 0809 6615 (Namakwa Sanitation Bucket System):			
Cash book balance at beginning of year		213 395	213 395
Cash book balance at end of year		213 395	213 395
Bank statement balance at beginning of year		213 395	213 940
Bank statement balance at end of year		213 395	213 395
ABSA Bank Limited - Account Number 91 8438 7915 (Fire Equipment Grant):			
Cash book balance at beginning of year		913 410	542 094
Cash book balance at end of year		896 659	913 410
Bank statement balance at beginning of year		913 410	543 514
Bank statement balance at end of year		896 659	913 410
ABSA Bank Limited - Account Number 91 0809 6924 (PIMMS):			
Cash book balance at beginning of year		2 255	745 764
Cash book balance at end of year		2 255	2 255
Bank statement balance at beginning of year		2 255	669 068
Bank statement balance at end of year		2 255	2 255
ABSA Bank Limited - Account Number 91 0991 1123 (Dept of Transport - NDM Funds):			
Cash book balance at beginning of year		2 631 487	2 598 571
Cash book balance at end of year		2 631 487	2 631 487
Bank statement balance at beginning of year		2 631 487	2 604 986
Bank statement balance at end of year		2 631 487	2 631 487

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
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	Note	2014 R	2013 R
ABSA Bank Limited - Account Number 91 1641 4273 (Drought Relief):			
Cash book balance at beginning of year		73 874	73 874
Cash book balance at end of year		-	73 874
Bank statement balance at beginning of year		73 874	74 063
Bank statement balance at end of year		-	73 874
ABSA Bank Limited - Account Number 91 1931 2230 (Electronic Filing System):			
Cash book balance at beginning of year		15 227	15 227
Cash book balance at end of year		15 227	15 227
Bank statement balance at beginning of year		15 227	15 266
Bank statement balance at end of year		15 227	15 227
ABSA Bank Limited - Account Number 91 2120 8647 (Training Fund SETA):			
Cash book balance at beginning of year		81 276	62 320
Cash book balance at end of year		2 000	81 276
Bank statement balance at beginning of year		81 276	145 345
Bank statement balance at end of year		2 000	81 276
ABSA Bank Limited - Account Number 91 2287 0758 (MIG):			
Cash book balance at beginning of year		5 546	5 546
Cash book balance at end of year		5 546	5 546
Bank statement balance at beginning of year		5 546	8 755
Bank statement balance at end of year		5 546	5 546
ABSA Bank Limited - Account Number 91 2356 3504 (Work for Water):			
Cash book balance at beginning of year		6 023 669	3 895 695
Cash book balance at end of year		258 160	6 023 669
Bank statement balance at beginning of year		6 037 032	3 905 250
Bank statement balance at end of year		258 160	6 037 032
ABSA Bank Limited - Account Number 92 7425 5686 (Dept. Agriculture, Forestry and Fisheries):			
Cash book balance at beginning of year		1 525 628	450 709
Cash book balance at end of year		1 009 266	1 525 628
Bank statement balance at beginning of year		1 525 628	450 709
Bank statement balance at end of year		1 009 266	1 525 628
ABSA Bank Limited - Account Number 92 7425 5709 (Civil Defence Grant):			
Cash book balance at beginning of year		691 112	523 008
Cash book balance at end of year		217 000	691 112
Bank statement balance at beginning of year		691 112	523 008
Bank statement balance at end of year		217 000	691 112

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
ABSA Bank Limited - Account Number 92 9011 5074 (Khotso Pula Nala):			
Cash book balance at beginning of year		-	-
Cash book balance at end of year		6 425 215	-
Bank statement balance at beginning of year		-	-
Bank statement balance at end of year		6 425 215	-
Cash on hand		805	805
Total cash and cash equivalents		49 501 657	59 254 671

2 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Taxes - Rates	204 874	190 165
Correction of error - Note 27.4	-	(878 159)
South African Revenue Services	-	727 740
Department of Roads and Public Works	3 298 375	3 029 496
Sundry Debtor - Municipal Systems Improvement Grant	468 000	-
Sundry Debtor - Expanded Public Works Programme Grant	416 000	-
Other Receivables	807 814	1 444 295
	<u>5 195 064</u>	<u>4 513 538</u>
Less: Provision for bad debts	<u>(4 067 850)</u>	<u>(3 718 022)</u>
Total Receivables from non-exchange transactions	1 127 214	795 516

The fair value of other receivables approximate their carrying value.

(Rates): Ageing

Current (0 - 30 days)	1 247	1 247
31 - 60 Days	1 247	1 247
61 - 90 Days	1 247	1 247
+ 90 Days	<u>201 135</u>	<u>186 426</u>
	204 874	190 165

Summary of Debtors (Rates) by Customer Classification	Residential	Industrial/ Commercial	National and Provincial Government
30 June 2014			
Current (0 - 30 days)			
Current (0 - 30 days)	-	1 247	-
31 - 60 Days	-	1 247	-
61 - 90 Days	-	1 247	-
+ 90 Days	<u>-</u>	<u>201 135</u>	<u>-</u>
Sub-total	-	204 874	-
Less: Provision for bad debts	<u>-</u>	<u>(204 874)</u>	<u>-</u>
Total debtors by customer classification	-	-	-

Summary of Debtors (Rates) by Customer Classification	Residential	Industrial/ Commercial	National and Provincial Government
30 June 2013			
Current (0 - 30 days)			
Current (0 - 30 days)	-	1 247	-
31 - 60 Days	-	1 247	-
61 - 90 Days	-	1 247	-
+ 90 Days	<u>-</u>	<u>186 426</u>	<u>-</u>
Sub-total	-	190 165	-
Less: Provision for bad debts	<u>-</u>	<u>(190 165)</u>	<u>-</u>
Total debtors by customer classification	-	-	-

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
<u>Reconciliation of Provision for Bad Debts</u>			
Balance at beginning of year		3 718 022	2 267 430
Contribution to provision		349 828	1 450 593
Bad Debts written off against provision		-	-
		4 067 850	3 718 022

The total amount of this provision consists of:

Taxes	204 874	190 165
Department of Roads and Public Works	3 298 375	3 029 496
Other receivables	564 600	498 360
Total Provision for Bad Debts on Trade Receivables from non-exchange transactions		
	4 067 850	3 718 022

Ageing of amounts past due but not impaired:

1 month past due	5 737	43 686
2+ months past due	1 097 038	350 705
1 102 774		
	394 392	

The provision for doubtful debts on debtors (loans and receivables) exists due to the possibility that not all debts will be recovered. Loans and receivables were assessed individually and grouped together at the Statement of Financial Position date as financial assets with similar credit risk characteristics and collectively assessed for impairment.

3 INVESTMENTS

Financial Instruments

Unlisted Stock: Nuweveld Co-op held for trading	1 146	1 146
1 146		

Investments are made in terms of the municipality's Cash Management and Investment Policy, as required by means of Regulation R 308 of 1 April 2005 gazetted in the Government Gazette No 27431 of 1 April 2005 and issued by the Minister of Finance.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

4 PROPERTY, PLANT AND EQUIPMENT

4.1	30 JUNE 2014	Cost					Accumulated Depreciation						Carrying Value
		Opening Balance	Additions	Disposals	Change in Accounting Policy/ Correction of Error	Closing Balance	Opening Balance	Change in Accounting Policy/ Correction of Error	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	
		R	R	R	R	R	R	R	R	R	R	R	R
	Land												
Land		2 099 045	-	(9 653)		2 089 392	-		-	-	-	-	2 089 392
		2 099 045	-	(9 653)	-	2 089 392	-	-	-	-	-	-	2 089 392
Buildings		7 850 811	-	(236 440)	-	7 614 371	(5 807 046)	-	(184 311)	184 422	-	(5 806 935)	1 807 436
Infrastructure													
Drains		-	-	-	-	-	-	-	-	-	-	-	-
Roads and Streets		-	-	-	-	-	-	-	-	-	-	-	-
Beach Improvements		-	-	-	-	-	-	-	-	-	-	-	-
Sewerage Mains and Purification		-	-	-	-	-	-	-	-	-	-	-	-
Electricity mains		4 839	-	-	-	4 839	(1 016)	-	(968)	-	-	(1 984)	2 855
Electricity Peak Load equipment		-	-	-	-	-	-	-	-	-	-	-	-
Water Mains & Purification		-	-	-	-	-	-	-	-	-	-	-	-
Water Reservoirs		-	-	-	-	-	-	-	-	-	-	-	-
Water Meters		-	-	-	-	-	-	-	-	-	-	-	-
Paving		273 946	1 051 284			1 325 230	(41 092)		(18 263)			(59 355)	1 265 875
Security Measures		216 738	619 536	-	-	836 274	(77 783)		(34 366)	-	-	(112 149)	724 125
		495 524	1 670 819	-	-	2 166 343	(119 891)	-	(53 597)	-	-	(173 488)	1 992 855
Community Assets													
Parks & Gardens		-	-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-	-
Recreation Grounds		-	-	-	-	-	-	-	-	-	-	-	-
Civic Buildings		159 133	-	-	-	159 133	(120 941)	-	(3 183)	-	-	(124 124)	35 009
Stadiums		-	-	-	-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-	-	-	-
Theatre		-	-	-	-	-	-	-	-	-	-	-	-
Swimming Pools		-	-	-	-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-	-	-	-
		159 133	-	-	-	159 133	(120 941)	-	(3 183)	-	-	(124 124)	35 009
Heritage Assets													
Historical Buildings		-	-	-	-	-	-	-	-	-	-	-	-
Paintings & Artifacts		-	-	-	-	-	-	-	-	-	-	-	-
	Total carried forward	10 604 513	1 670 819	(246 093)	-	12 029 239	(6 047 879)	-	(241 090)	184 422	-	(6 104 547)	5 924 692

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Cost						Accumulated Depreciation						
	Opening Balance	Additions	Disposals	Change in Accounting Policy/ Correction of Error	Closing Balance	Opening Balance	Change in Accounting Policy/ Correction of Error	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	Carrying Value	
	R	R	R	R	R	R	R	R	R	R	R	R	R
Total brought forward	10 604 513	1 670 819	(246 093)	-	12 029 239	(6 047 879)	-	(241 090)	184 422	-	(6 104 547)	5 924 692	
Other Assets													
Office Equipment	3 181 851	265 412	(124 209)	-	3 323 054	(2 111 380)	-	(394 202)	119 069	(936)	(2 387 449)	935 605	
Furniture & Fittings	1 522 411	88 472	(20 395)	-	1 590 488	(857 288)	-	(193 148)	20 392	(266)	(1 030 310)	560 178	
Bins and Containers	22 662	-	-	-	22 662	(12 122)	-	(2 605)	-	-	(14 727)	7 936	
Plant and Equipment	600 303	215 095	(219)	-	815 179	(305 057)	-	(67 191)	216	-	(372 032)	443 147	
Motor vehicles	2 634 448	1 336 274	(580 070)	-	3 390 653	(1 763 762)	-	(466 065)	473 724	-	(1 756 104)	1 634 549	
Fire Equipment	697 401	-	-	-	697 401	(43 859)	-	(134 908)	-	-	(178 767)	518 633	
Refuse tankers	-	-	-	-	-	-	-	-	-	-	-	-	
Security Measures	-	-	-	-	-	-	-	-	-	-	-	-	
Water crafts	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	-	(0)	0	-	0	-	-	-	-	-	-	0	
	8 659 077	1 905 253	(724 892)	-	9 839 438	(5 093 467)	-	(1 258 120)	613 400	(1 202)	(5 739 388)	4 100 049	
Finance Lease Assets													
Office Equipment	388 261	71 990	(23 040)	-	437 211	(180 834)	-	(85 035)	16 756	-	(249 113)	188 098	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	
	388 261	71 990	(23 040)	-	437 211	(180 834)	-	(85 035)	16 756	-	(249 113)	188 098	
Total	19 651 850	3 648 062	(994 025)	-	22 305 887	(11 322 181)	-	(1 584 245)	814 579	(1 202)	(12 093 049)	10 212 839	

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

4.2	30 June 2013	Cost					Accumulated Depreciation						
		Opening Balance	Additions	Disposals	Change in Accounting Policy/ Correction of Error	Closing Balance	Opening Balance	Change in Accounting Policy/ Correction of Error	Depreciation	Disposals	Impairment loss/Reversal of impairment loss		
		R	R	R	R	R	R	R	R	R	R	R	
	Land												
	Land	1 822 842	-	(3 402)	279 605	2 099 045						2 099 045	
		1 822 842	-	(3 402)	279 605	2 099 045						2 099 045	
	Buildings												
	Buildings	7 600 811	-	-	250 000	7 850 811	(5 366 406)	(251 600)	(189 040)	-	-	(5 807 046)	
												2 043 765	
	Infrastructure												
	Drains	-	-	-	-	-	-	-	-	-	-	-	
	Roads and Streets	-	-	-	-	-	-	-	-	-	-	-	
	Beach Improvements	-	-	-	-	-	-	-	-	-	-	-	
	Sewerage Mains and Purification	-	-	-	-	-	-	-	-	-	-	-	
	Electricity mains	4 839	-	-	-	4 839	(49)	-	(968)	-	-	(1 016)	
	Electricity Peak Load equipment	-	-	-	-	-	-	-	-	-	-	-	
	Water Mains & Purification	-	-	-	-	-	-	-	-	-	-	-	
	Water Reservoirs	-	-	-	-	-	-	-	-	-	-	-	
	Water Meters	-	-	-	-	-	-	-	-	-	-	-	
	Paving	273 946	-	-	-	273 946	(22 829)	-	(18 263)	-	-	(41 092)	
	Security Measures	132 561	84 177	-	-	216 738	(58 049)	-	(19 734)	-	-	(77 783)	
		411 346	84 177	-	-	495 524	(80 926)	-	(38 965)	-	-	(119 891)	
												375 632	
	Community Assets												
	Parks & Gardens	-	-	-	-	-	-	-	-	-	-	-	
	Libraries	-	-	-	-	-	-	-	-	-	-	-	
	Recreation Grounds	-	-	-	-	-	-	-	-	-	-	-	
	Civic Buildings	159 133	-	-	-	159 133	(117 758)	-	(3 183)	-	-	(120 941)	
	Stadiums	-	-	-	-	-	-	-	-	-	-	-	
	Halls	-	-	-	-	-	-	-	-	-	-	-	
	Theatre	-	-	-	-	-	-	-	-	-	-	-	
	Swimming Pools	-	-	-	-	-	-	-	-	-	-	-	
	Cemeteries	-	-	-	-	-	-	-	-	-	-	-	
		159 133	-	-	-	159 133	(117 758)	-	(3 183)	-	-	(120 941)	
												38 192	
	Heritage Assets												
	Historical Buildings	-	-	-	-	-	-	-	-	-	-	-	
	Paintings & Artifacts	-	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	-	
	Total carried forward	9 994 132	84 177	(3 402)	529 605	10 604 513	(5 565 091)	(251 600)	(231 188)	-	-	(6 047 879)	4 556 634

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Cost						Accumulated Depreciation						
	Opening Balance	Additions	Disposals	Change in Accounting Policy/ Correction of Error	Closing Balance	Opening Balance	Change in Accounting Policy/ Correction of Error	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	Carrying Value	
	R	R	R	R	R	R	R	R	R	R	R	R	R
Total brought forward	9 994 132	84 177	(3 402)	529 605	10 604 513	(5 565 091)	(251 600)	(231 188)	-	-	(6 047 879)	4 556 634	
Other Assets													
Office Equipment	3 441 795	175 083	(435 026)	-	3 181 851	(1 964 460)	-	(544 297)	397 736	(357)	(2 111 380)	1 070 471	
Furniture & Fittings	1 463 078	143 259	(83 926)	-	1 522 411	(704 966)	-	(189 911)	39 402	(1 812)	(857 288)	665 123	
Bins and Containers	18 803	4 458	(599)	-	22 662	(10 201)	-	(2 519)	598	-	(12 122)	10 541	
Plant and Equipment	401 861	233 739	(35 296)	-	600 303	(260 381)	-	(65 474)	20 799	-	(305 057)	295 247	
Motor vehicles	2 350 749	283 700	-	-	2 634 448	(1 307 350)	-	(456 413)	-	-	(1 763 762)	870 686	
Fire Equipment	90 457	611 053	(4 109)	-	697 401	(32 395)	-	(13 702)	2 237	-	(43 859)	653 541	
Refuse tankers	-	-	-	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	-	
Computer Software (part of computer equipment)	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	
	7 766 743	1 451 291	(558 957)	-	8 659 077	(4 279 753)	-	(1 272 316)	460 771	(2 169)	(5 093 467)	3 565 609	
Finance Lease Assets													
Office Equipment	249 939	138 322	-	-	388 261	(115 428)	-	(65 407)	-	-	(180 834)	207 426	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	
	249 939	138 322	-	-	388 261	(115 428)	-	(65 407)	-	-	(180 834)	207 426	
Total	18 010 814	1 673 790	(562 359)	529 605	19 651 850	(9 960 272)	(251 600)	(1 568 910)	460 771	(2 169)	(11 322 181)	8 329 669	

4.3 Assets pledged as security

Leased Property, Plant and Equipment of R 188 098 is secured for leases as set out in Note 13.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note

5 INTANGIBLE ASSETS

5.1 Reconciliation of carrying value

	Intangible Assets	Total
	R	R
as at 1 July 2013		
Cost	1 223 466	1 223 466
Accumulated amortisation and impairment losses	2 768 530	2 768 530
Acquisitions	(1 545 064)	(1 545 064)
Amortisation	95 758	95 758
	(275 574)	(275 574)
as at 30 June 2014		
Cost	1 043 650	1 043 650
Accumulated amortisation and impairment losses	2 864 288	2 864 288
	(1 820 638)	(1 820 638)

5.1 Reconciliation of carrying value

	Intangible Assets	Total
	R	R
as at 1 July 2012		
Cost	1 475 917	1 475 917
Accumulated amortisation and impairment losses	2 748 943	2 748 943
Acquisitions	(1 273 026)	(1 273 026)
Amortisation	19 587	19 587
	(272 038)	(272 038)
Carrying value of disposals	-	-
Cost	-	-
Accumulated amortisation	-	-
as at 30 June 2013		
Cost	1 223 466	1 223 466
Accumulated amortisation and impairment losses	2 768 530	2 768 530
	(1 545 064)	(1 545 064)

No intangible asset were assed having an indefinite useful life.

There are no internally generated intangible assets at reporting date.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities.

There are no contractual commitments for the acquisition of intangible assets.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note

6 INVESTMENT PROPERTY CARRIED AT COST

6.1 Reconciliation of carrying value	Investment property R	Other R	Total R
as at 1 July 2013	217 124	-	217 124
Cost	904 678	-	904 678
Accumulated depreciation and impairment losses	(687 554)	-	(687 554)
Acquisitions	-	-	-
Depreciation	(18 094)	-	(18 094)
as at 30 June 2014	199 030	-	199 030
Cost	904 678	-	904 678
Accumulated depreciation and impairment losses	(705 648)	-	(705 648)
6.1 Reconciliation of carrying value	Investment property R	Other R	Total R
as at 1 July 2012	365 215	-	365 215
Cost	1 404 678	-	1 404 678
Accumulated depreciation and impairment losses	(1 039 463)	-	(1 039 463)
Correction of error - Cost (Note 27.2)	8 817	-	8 817
Acquisitions	-	-	-
Depreciation	(23 758)	-	(23 758)
Carrying value of disposals	(133 150)	-	(133 150)
Cost	(508 817)	-	(508 817)
Accumulated depreciation	375 667	-	375 667
as at 30 June 2013	217 124	-	217 124
Cost	895 861	-	895 861
Correction of error - Cost (Note 27.2)	8 817	-	8 817
Correction of error- Accumulated depreciation and impairment losses (Note 27.2)	-	-	-
Accumulated depreciation and impairment losses	(687 554)	-	(687 554)
	2014 R		2013 R

6.2 Fair value of investment property carried at cost:

904 678

6.3 There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.

6.4 There are no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
7 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS			
Trade creditors		65 178	732 805
Payments received in advance		58 305	28 755
Department of Environmental affairs - Work for Water		258 160	6 023 669
Department of Agriculture, Forestry and Fisheries		1 009 266	1 525 628
Contributions: Project Management Unit		-	345 212
Correction of Error - Note 27. 6		(2 516 658)	
Other creditors		1 434 514	2 680 798
Total creditors		2 825 423	8 820 209

Payables are being recognised net of any discounts.

Payables are being paid within 30 days as prescribed by the MFMA. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary.

The fair value of trade and other payables approximates their carrying amounts.
All payables are unsecured.

8 VAT RECEIVABLE

VAT receivable	330 201	76 403
Correction of Error - Note 27.3	-	(43 801)
Total VAT Receivable	330 201	32 602

VAT is payable on the receipts basis. VAT is paid over to SARS only once payment is received from debtors.

9 CURRENT EMPLOYEE BENEFITS

Provision for bonus	664 910	539 703
Current Portion of Post Retirement Benefits (see note 12)	1 381 272	1 323 252
Provision for leave	1 131 916	1 081 557
Current portion of Long-Service provision (see note 12)	70 613	96 333
Total Provisions	3 248 711	3 040 845

The movement in current provisions are reconciled as follows: -

	Provision for Bonus	Provision for Leave
as at 1 July 2013		
Contributions to provision	539 703	1 081 557
Expenditure incurred	1 195 575	105 561
as at 30 June 2014	(1 070 368)	(55 202)
	664 910	1 131 916
as at 1 July 2012		
Contributions to provision	419 853	1 192 347
Expenditure incurred	968 377	(23 096)
as at 30 June 2013	(848 527)	(87 695)
	539 703	1 081 557

9.1 Staff Bonuses

Bonuses are being paid to all municipal staff. The balance at year end represent the portion of the bonus that have already vested for the current salary cycle.
There is no possibility of reimbursement.

9.2 Staff Leave

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave. There is no possibility of reimbursement.

10 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

10.1 Unspent Conditional Grants from other spheres of Government

National Government Grants	60 483	85 860
Provincial Government Grants	8 768 928	3 145 419
Other Sources	220 075	299 351

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
Total Unspent Conditional Grants and Receipts		9 049 487	3 530 631
Non-current unspent conditional grants and receipts		-	-
Current portion of unspent conditional grants and receipts		9 049 487	3 530 631

See Note 16 and appendix "F" for reconciliation of grants from other spheres of government. The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.

Unspent grants can mainly be attributed to projects that are work in progress on the relevant financial year-ends.

11 FINANCE LEASE LIABILITY

2014	Minimum lease payment R	Future finance charges R	Present value of minimum lease payments R
Amounts payable under finance leases			
Within one year	100 448	(28 386)	72 062
Within two to five years	177 020	(39 613)	137 407
	277 468	(68 000)	209 469
Less: Amount due for settlement within 12 months (current portion)			(72 062)
			137 407
2013	Minimum lease payment R	Future finance charges R	Present value of minimum lease payments R
Amounts payable under finance leases			
Within one year	117 446	(31 816)	85 631
Within two to five years	182 529	(36 452)	146 078
	299 976	(68 268)	231 708
Less: Amount due for settlement within 12 months (current portion)			(85 631)
			146 078

The capitalised lease liability consist out of the following contracts:

Supplier	Effective Interest rate	Annual Escalation
Nashua - Copiers	17.02%	0%
MTN - Tablets	14.47%	0%
Supplier	Lease Term	Maturity Date
Nashua - Copiers	5 Years	31/03/2019
MTN - Tablets	2 Years	31/12/2014

Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.

Finance Leases are secured by property, plant and equipment - Note 4

12 NON-CURRENT EMPLOYEE BENEFITS

Provision for post retirement health care benefits	17 164 824	17 232 343
Provision for long-service awards	866 181	726 039
Total Non-Current Employee Benefits	18 031 006	17 958 383

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
The movement in the non-current employee benefits is reconciled as follows: -			
Provision for Post Retirement Health Care Benefits			
Balance at the beginning of year		18 555 595	16 316 198
Contributions to provision		1 714 249	1 336 714
Expenditure incurred		(1 339 043)	(2 385 194)
Increase in provision due to discounting		(384 705)	3 287 877
Transfer to current provisions		(1 381 272)	(1 323 252)
Balance at the end of year		17 164 824	17 232 343

Provision for long-service awards:			
Balance at the beginning of year		822 372	795 708
Contributions to provision		153 581	177 962
Expenditure incurred		(45 755)	(110 478)
Increase in provision due to discounting		6 596	(40 820)
Transfer to current provisions		(70 613)	(96 333)
Balance at the end of year		866 181	726 039

12.1 Provision for Post Retirement Health Care Benefits

	2014	2013
The Post Retirement Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:		
In-service (employee) members	76	66
In-service (employee) non-members	6	6
Continuation members (e.g. Retirees, widows, orphans)	42	45
Total Members	124	117

	2012	2011	2010
The liability in respect of periods commencing prior to the comparative year has been estimated as follows:			
In-service (employee) members	54	50	71
In-service (employee) non-members	6	18	48
Continuation members (e.g. Retirees, widows, orphans)	43	46	47
Total Members	103	114	166

	2014 R	2013 R
The liability in respect of past service has been estimated to be as follows:		
In-service members	2 616 830	2 199 886
Continuation members	15 929 266	16 355 709
Total Liability	18 546 096	18 555 595

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas
Hosmed
LA Health
Key Health, and
SAMWU Medical Aid

The Current-service Cost for the ensuing year is estimated to be R 365 463, whereas the Interest Cost for the next year is estimated to be R1 486 595.

Key actuarial assumptions used:

	%	%
i) Rate of interest		
Discount rate	8.32	7.83
Health Care Cost Inflation Rate	7.73	7.44
Net Effective Discount Rate	0.54	0.37

ii) Mortality rates

The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.

iii) Normal retirement age

The normal retirement age for employees of the municipality is 60 years.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note	2014 R 2014 R	2013 R 2013 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	18 546 096	18 555 595
Fair value of plan assets	-	-
	<hr/> 18 546 096	<hr/> 18 555 595
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present Value of unfunded obligations	-	-
Net liability/(asset)	<hr/> 18 546 096	<hr/> 18 555 595

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25, Employee Benefits.

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	18 555 595	16 316 198
Total expenses	375 206	(1 048 480)
Current service cost	311 713	209 978
Interest Cost	1 402 536	1 126 736
Benefits Paid	(1 339 043)	(2 385 194)
Actuarial (gains)/losses	(384 705)	3 287 877
Present value of fund obligation at the end of the year	<hr/> 18 546 096	<hr/> 18 555 595

Sensitivity Analysis on the Accrued Liability	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)		
				Assumption	
Central Assumptions	2.640	15.906	18.546		
The effect of movements in the assumptions are as follows:					
Assumption	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)		
Health care inflation	3.176	17.229	20.405		
Health care inflation	2.215	14.738	16.953		
Post-retirement mortality	2.747	16.666	19.413		
Average retirement age	2.854	15.906	18.760		
Continuation of membership at retirement	2.270	15.906	18.176		
Assumption		Change	% change		
Health care inflation		1%	10%		
Health care inflation		-1%	-9%		
Post-retirement mortality		-1 year	5%		
Average retirement age		-1 year	1%		
Withdrawal Rate		-10%	-2%		

12.2 Provision for Long Service Bonuses

The Long Service Bonus plans are defined benefit plans. As at year end, 82 employees were eligible for Long Service Bonuses.

The Current-service Cost for the ensuing year is estimated to be R 116 144 whereas the Interest Cost for the next year is estimated to be R 73 019.

Key actuarial assumptions used:

i) Rate of interest	%	%
Discount rate	8.09	7.36
General Salary Inflation (long-term)	7.22	6.83
Net Effective Discount Rate applied to salary-related Long Service Bonuses	0.81	0.49

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
The amounts recognised in the Statement of Financial Position are as follows:			
Present value of fund obligations		936 794	822 372
Fair value of plan assets		-	-
		<u>936 794</u>	<u>822 372</u>
Unrecognised past service cost		-	-
Unrecognised actuarial gains/(losses)		-	-
Present Value of unfunded obligations		-	-
Net liability/(asset)		<u>936 794</u>	<u>822 372</u>

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year		822 372	795 708
Total expenses		107 826	67 484
Current service cost		96 719	133 101
Interest Cost		56 862	44 861
Benefits Paid		(45 755)	(110 478)
Actuarial (gains)/losses		6 596	(40 820)
Present value of fund obligation at the end of the year		<u>936 794</u>	<u>822 372</u>

Sensitivity Analysis on the Unfunded Accrued Liability	Change	Liability (Rm)	% change
Assumption			
Central assumptions		0.937	
General salary inflation	1%	1.003	7%
General salary inflation	-1%	0.877	-6%
Average retirement age	-2 yrs	0.802	-14%
Average retirement age	2 yrs	1.046	12%
Withdrawal rates	-50%	1.183	26%

12.3 Retirement funds

The Cape Joint Retirement Fund is a Multi Employer fund defined as defined benefit plan, it will be accounted for as defined contribution plan. All the required disclosure has been made as defined in GRAP 25.31.

CAPE JOINT PENSION FUND

The contribution rate payable is 9%, by the members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2013 revealed that the fund is in a sound financial position with a funding level of 99,7% (30 June 2012 - 99,4%).

Contributions paid recognised in the Statement of Financial Performance	<u>93 668</u>	<u>105 888</u>
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CAPE JOINT RETIREMENT FUND

The contribution rate paid by the members (9,0%) and Council (18,0%). The last actuarial valuation performed for the year ended 30 June 2013 revealed that the fund is in a sound financial position with a funding level of 105,1% (30 June 2012 - 108,0%).

Contributions paid recognised in the Statement of Financial Performance	<u>2 515 195</u>	<u>1 227 752</u>
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DEFINED CONTRIBUTION FUNDS

Council contribute to the Government Employees Pension Fund, Municipal Council Pension Fund, IMATU Retirement Fund and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

Contributions paid recognised in the Statement of Financial Performance	2014 R	2013 R
Government Employees Pension Fund	68 643	73 144
SAMWU National Provident Fund	815 328	599 748
	<u>883 970</u>	<u>672 892</u>

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
13 RENTAL OF FACILITIES AND EQUIPMENT			
Rental of facilities		585 122	571 610
Total rentals		585 122	571 610
14 INTEREST EARNED - EXTERNAL INVESTMENTS			
Bank		-	-
Financial assets		2 805 105	3 065 503
Other		-	-
Total interest		2 805 105	3 065 503
15 INTEREST EARNED - OUTSTANDING RECEIVABLES			
Other receivables		59 053	61 165
Other		-	-
Total interest		59 053	61 165
16 GOVERNMENT GRANTS AND SUBSIDIES			
Unconditional			
Equitable share		3 846 000	6 061 000
Conditional			
Grants and Donations		35 232 920	31 208 056
Total Government Grant and Subsidies		39 078 920	37 269 056
Disclosed as follows:			
Government Grants and Subsidies - Operating		37 704 371	37 155 035
Government Grants and Subsidies - Capital		1 374 549	114 021
Total Government Grant and Subsidies		39 078 920	37 269 056
16.1 Equitable Share			
Balance unspent at beginning of year		-	-
Current year receipts		3 846 000	6 061 000
Conditions met - operating		(3 846 000)	(6 061 000)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		-	-
<i>The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.</i>			
16.2 Local Government Financial Management Grant (FMG)			
Balance unspent at beginning of year		74 944	151 377
Current year receipts		1 250 000	1 250 000
Repaid to National Revenue Fund		(74 000)	-
Conditions met - operating		(1 175 633)	(1 326 433)
Conditions met - capital		(25 083)	-
Conditions still to be met - remain liabilities (see note 10)		50 229	74 944

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
<i>The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).</i>			
16.3 Municipal Systems Improvement Grant (MSIG)			
Balance unspent at beginning of year		3 115	45 232
Current year receipts		680 000	490 000
Conditions met - operating		(304 291)	(450 339)
Conditions met - capital		(376 370)	(81 777)
Conditions still to be met - remain liabilities (see note 10)		2 454	3 115

The Municipal Systems Improvement Grant was used for building in-house capacity to perform municipal functions and stabilise institutional and governance systems.

16.4 Municipal Infrastructure Grant (MIG)

Balance unspent at beginning of year		5 546	5 546
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		5 546	5 546

The Municipal Infrastructure Grant was used to upgrade infrastructure in previously disadvantaged areas.

16.5 RSC Levies Replacement Grant

Balance unspent at beginning of year		-	-
Current year receipts		24 924 000	22 198 000
Conditions met - operating		(24 924 000)	(22 198 000)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		-	-

This is an unconditional grant established to make provision for income for the District Municipalities after the RSC levies were terminated.

16.6 Councillors Remuneration Grant

Balance unspent at beginning of year		-	-
Current year receipts		2 078 000	1 857 000
Conditions met - operating		(2 078 000)	(1 857 000)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		-	-

This is an unconditional grant to co-funding the councillors remuneration.

16.7 Planning and Implementation Management System

Balance unspent at beginning of year		2 255	666 820
Current year receipts		-	510 000
Conditions met - operating		-	(1 174 565)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		2 255	2 255

This is a planning reserve and is utilised for planning purposes.

16.8 Border Fencing

Balance unspent at beginning of year		54 239	54 239
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		54 239	54 239

This grant was established to make provision for fencing next to public roads.

16.9 Health Inspector Subsidy

Balance unspent at beginning of year		2 300 000	2 000 000
Current year receipts		(2 300 000)	(2 000 000)
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		-	-

This unconditional grant is part of the equitable share and services to subsidise municipal health care.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
16.10 Civil Defence Subsidy			
Balance unspent at beginning of year		691 112	523 008
Current year receipts		300 000	801 000
Conditions met - operating		(78 869)	(600 652)
Conditions met - capital		(695 244)	(32 244)
Conditions still to be met - remain liabilities (see note 10)		217 000	691 112

This conditional grant is to establish a disaster management centre.

16.11 Drought Relief			
Balance unspent at beginning of year		73 874	73 874
Current year receipts		-	-
Conditions met - operating		(73 874)	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		(0)	73 874

This grant is to assist communities in drought relief.

16.12 Expanded Public Works Program			
Balance unspent at beginning of year		416 523	553 197
Current year receipts		1 000 000	1 000 000
Conditions met - operating		(1 335 389)	(1 136 674)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		81 134	416 523

This grant service to establish work in local communities.

16.13 Fire Equipment Grant			
Balance unspent at beginning of year		913 410	542 094
Current year receipts		300 000	390 000
Conditions met - operating		(38 899)	(18 684)
Conditions met - capital		(277 852)	-
Conditions still to be met - remain liabilities (see note 10)		896 659	913 410

This grant is to assist local municipalities to render a fire service.

16.14 Integrated Development Planning			
Balance unspent at beginning of year		342 065	382 368
Current year receipts		210 000	-
Conditions met - operating		(93 843)	(40 303)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		458 222	342 065

This reserve assist the municipality to compile and maintain the Integrated Development Plan.

16.15 Komaggas Road			
Balance unspent at beginning of year		1	4 371
Current year receipts		-	-
Conditions met - operating		-	(4 370)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		1	1

This grant was used to build the Kommagas road.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
16.16 SA Projects			
Balance unspent at beginning of year		8	205 909
Current year receipts		-	-
Conditions met - operating		-	(205 901)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		8	8

This grant is to create work programmes in local communities.

	Note	2014 R	2013 R
16.17 Namaqua Sanitation Bucket System			
Balance unspent at beginning of year		213 395	213 395
Current year receipts		-	-
Conditions met - operating		(56 281)	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		157 114	213 395

	Note	2014 R	2013 R
16.18 NC Housing			
Balance unspent at beginning of year		374 823	500 000
Current year receipts		81 100	-
Conditions met - operating		-	(125 177)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		455 923	374 823

This grant is to establish a housing unit at the District level.

	Note	2014 R	2013 R
16.19 Sakrivier Bridge			
Balance unspent at beginning of year		8 187	8 187
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		8 187	8 187

This grant was used to rebuild the sakriver bridge after flooding.

	Note	2014 R	2013 R
16.20 Khotso Pula Nala			
Balance unspent at beginning of year		-	-
Current year receipts		7 551 000	-
Conditions met - operating		(1 125 785)	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		6 425 215	-

This grant originated from the Department Roads and Public Works and is used for projects determined by the Department.

	Note	2014 R	2013 R
16.21 Fencing			
Balance unspent at beginning of year		42 555	42 555
Current year receipts		-	-
Conditions met - operating		(42 555)	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		42 555	-

This grant was established to make provision for fencing next to public roads.

	Note	2014 R	2013 R
16.22 Electronic Filing System			
Balance unspent at beginning of year		15 227	15 227
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		15 227	15 227

The grant was used to implement an electronic filing system.

	Note	2014 R	2013 R
16.23 Spoegrivier Sport Ground (Lotto)			
Balance unspent at beginning of year		5 290	5 290
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		5 290	5 290

This grant was received to build a sports ground in Spoegrivier.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
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	Note	2014 R	2013 R
16.24 Swartzkop Sport Ground (Lotto)			
Balance unspent at beginning of year		207 475	207 475
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		207 475	207 475

This grant was received to build a sports ground in Swartzkop.

	Note	2014 R	2013 R
16.25 Training Reserve (SETA)			
Balance unspent at beginning of year		81 276	144 160
Current year receipts		151 676	107 653
Conditions met - operating		(230 952)	(170 537)
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		2 000	81 276

This is the amount claimed back from SETA for training and is utilised for training.

	Note	2014 R	2013 R
16.26 Kamiesberg Special Fund			
Balance unspent at beginning of year		2 297	2 297
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		2 297	2 297

This grant is used to purify the water in the local settlements.

	Note	2014 R	2013 R
16.27 Richtersveld Special Fund			
Balance unspent at beginning of year		3 013	3 013
Current year receipts		-	-
Conditions met - operating		-	-
Conditions met - capital		-	-
Conditions still to be met - remain liabilities (see note 10)		3 013	3 013

This grant is used to purify the water in the local settlements.

	Note	2014 R	2013 R
16.28 Total Grants			
Opening balance		3 530 631	4 349 633
Grants received		44 671 776	36 664 653
Repaid to National Revenue Fund		(74 000)	-
Conditions met - Operating		(37 704 371)	(37 369 635)
Conditions met - Capital		(1 374 549)	(114 021)
Conditions still to be met/(Grant expenditure to be recovered)		9 049 487	3 530 631

Disclosed as follows:

Unspent Conditional Government Grants and Receipts	9 049 487	3 530 631
Total	9 049 487	3 530 631

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
17 OTHER INCOME			
Revenue from Exchange Transactions			
Income from Agency Services		844 841	1 914 183
Sundries		134 436	108 647
Contributions received: Project Management Unit		345 212	945 198
Brochures		-	898
Administration Fees		8 601	28 271
Revenue from Non-Exchange Transactions		1 333 090	2 997 198
Actuarial Gains		384 705	40 820
Total Other Income		1 717 795	3 038 018

18 EMPLOYEE RELATED COSTS

Employee related costs - Salaries and Wages	16 220 505	13 441 462
Employee related costs - Contributions for UIF, pensions and medical aids	3 566 590	1 568 315
Travel, motor car, accommodation, subsistence and other allowances	2 478 249	1 516 977
Housing benefits and allowances	615 627	371 537
Overtime payments	425 292	280 002
Performance and other bonuses	1 195 575	968 377
Provision for leave	105 561	(23 096)
Contribution to provision - Long Service Awards - Note 12	96 719	133 101
Contribution to provision - Post Retirement Medical - Note 12	311 713	209 978
Total Employee Related Costs	25 015 831	18 466 654

Remuneration of the Municipal Manager - M Brandt

Annual Remuneration	845 107	566 512
Performance- and other bonuses	68 750	46 750
Travel, motor car, accommodation, subsistence and other allowances	173 461	146 158
Contributions to UIF, Medical and Pension Funds	183 340	144 067
Total	1 270 658	903 487

Remuneration of the Chief Finance Officer (Former) - F Rootman

Annual Remuneration	-	135 835
Performance- and other bonuses	-	37 732
Long service award	-	43 467
Travel, motor car, accommodation, subsistence and other allowances	-	34 503
Contributions to UIF, Medical and Pension Funds	-	40 498
Leave payout	-	14 170
Total	-	306 205

Remuneration of the Chief Finance Officer (Current) - R Datadin

Annual Remuneration	586 200	325 430
Performance- and other bonuses	42 750	-
Travel, motor car, accommodation, subsistence and other allowances	161 795	67 134
Contributions to UIF, Medical and Pension Funds	121 697	61 348
Total	912 442	453 912

Remuneration of Director: Corporate Services - G Cloete

Annual Remuneration	547 692	352 186
Performance- and other bonuses	31 595	29 425
Travel, motor car, accommodation, subsistence and other allowances	151 984	141 464
Contributions to UIF, Medical and Pension Funds	70 030	72 530
Total	801 300	595 605

Remuneration of Head of Environmental Health (Former) - W Auret

Annual Remuneration	-	217 084
Performance- and other bonuses	-	36 181
Long Service Awards	-	22 329
Travel, motor car, accommodation, subsistence and other allowances	-	89 468
Contributions to UIF, Medical and Pension Funds	-	60 400
Leave payout	-	36 947
Total	-	462 407

Remuneration of Director: Office of the Municipal Manager - J Loubsen

Annual Remuneration	534 000	462 563
Performance- and other bonuses	44 500	16 196
Travel, motor car, accommodation, subsistence and other allowances	141 915	48 848
Contributions to UIF, Medical and Pension Funds	140 589	135 710
Total	861 004	663 317

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
<u>Remuneration of Director: Economic Development - C Fortuin</u>			
Annual Remuneration		480 442	314 059
Performance- and other bonuses		39 091	26 134
Travel, motor car, accommodation, subsistence and other allowances		164 204	151 427
Contributions to UIF, Medical and Pension Funds		120 198	94 803
Total		803 935	586 424
<u>Remuneration of Manager: Projects - I Smith</u>			
Annual Remuneration		370 248	335 059
Performance- and other bonuses		30 854	28 062
Travel, motor car, accommodation, subsistence and other allowances		166 272	157 026
Contributions to UIF, Medical and Pension Funds		87 797	86 297
Total		655 172	606 444
<u>Remuneration of Manager: Maintenance and Household Services - E Bezuidenhout</u>			
Annual Remuneration		379 140	343 917
Performance- and other bonuses		31 595	28 335
Travel, motor car, accommodation, subsistence and other allowances		159 035	150 752
Contributions to UIF, Medical and Pension Funds		81 269	79 512
Total		651 039	602 517
<u>Remuneration of Manager: Municipal Health Services - H Theron</u>			
Annual Remuneration		344 820	-
Performance- and other bonuses		28 735	-
Travel, motor car, accommodation, subsistence and other allowances		161 130	-
Contributions to UIF, Medical and Pension Funds		93 005	-
Total		627 690	-
19 REMUNERATION OF COUNCILLORS			
Executive Mayor		619 454	591 753
Speaker		346 921	387 330
Councillors		1 014 763	870 089
Councillors' allowances		441 165	431 332
Total Councillors' Remuneration		2 422 303	2 280 503
Remuneration paid to councillors were as follows:			
BG Vass - Mayor		664 685	516 439
FE Van Den Heever - Mayor - (Resigned 29/05/2013)		-	591 753
MS Cardinal - Councillor - Speaker		342 577	102 690
SD Hoskin - Councillor		68 838	68 838
FX Cupido - Councillor		68 838	68 838
EC Drage-Maritz - Councillor		224 216	206 061
SF Nieuwoudt - Councillor		224 216	206 061
CR Warne - Councillor		224 216	206 061
J Swarts - Councillor		12 271	11 686
P van Heerden - Councillor		94 285	29 636
KR Groenewald - Councillor		224 216	28 037
S van Wyk - Councillor		8 283	9 319
J van der Colff - Councillor		17 529	16 695
WJ Links - Councillor		12 328	12 328
SJ Engelbrecht - Councillor		224 216	206 061
GJ Coetzee - Councillor		11 588	-
Total Councillors' Remuneration		2 422 303	2 280 503
In-kind Benefits			
The Executive Mayor, Speaker are full-time. Each is provided with an office and secretarial support at the cost of the Council.			
The Executive Mayor as well as the Speaker may utilise official Council transportation when engaged in official duties.			
Certification by the Municipal Manager			
I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.			
 Signed: Municipal Manager			

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
20 DEPRECIATION AND AMORTISATION EXPENSE			
Property, plant and equipment		1 584 244	1 568 910
Correction of error - Note 27.1		-	1 600
Intangible assets		275 574	272 038
Investment property carried at cost		18 094	23 760
Total Depreciation and Amortisation		1 877 911	1 866 308
21 FINANCE COSTS			
Borrowings		35 059	30 547
Non-current employee benefits		1 459 398	1 171 597
Total Finance Costs		1 494 457	1 202 144
22 CONTRACTED SERVICES			
Contracted services		469 206	68 808
		469 206	68 808
23 GRANTS AND SUBSIDIES PAID			
Grants that are paid to B - Municipalities		3 425 414	4 369 532
Correction of error - Note 27.4		-	(50 000)
		3 425 414	4 319 532
24 GENERAL EXPENSES			
<i><u>Included in general expenses are the following:-</u></i>			
Actuarial losses		6 596	3 287 877
Advertising		303 661	559 583
Admin fees		-	28 502
Audit fees		2 054 986	1 846 996
Bank charges		80 463	75 895
Bursaries		8 500	6 445
Conferences and delegations		36 675	39 909
Consumables		75 543	75 884
Economic Summit		-	794 828
Entertainment		154 049	240 016
Expanded Public Works Programme		1 107 003	1 136 674
Financial management grant		1 093 227	1 116 433
Fuel and oil		660 812	609 763
Insurance		135 632	413 123
Legal expenses		27 180	348 785
Licence fees - vehicles		6 902	5 767
Licence fees - computers		304 634	186 400
Membership fees		466 712	408 244
Postage		1 599	6 980
Printing and stationery		200 345	315 694
Project Development		2 041 040	1 224 070
Rental of office equipment		8 441	19 303
Rental of office buildings		8 500	3 400
Skills development levies		239 819	191 724
Trade test centre		-	2 500 000
Telephone cost		431 478	470 627
Training		578 853	176 837
Transport claims		25 839	20 837
Travel and subsistence		3 130 178	2 749 669
Uniforms & overalls		1 411	13 541
Other operating expenses		2 571 795	2 233 656
		15 761 874	21 107 462

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
25 GAIN / (LOSS) ON SALE OF ASSETS			
Property, plant and equipment		13 665	(234 737)
Total Gain / (Loss) on Sale of Assets		13 665	(234 737)
26 IMPAIRMENT LOSS / (REVERSAL OF IMPAIRMENT LOSS)			
Property, plant and equipment		1 202	2 169
Total Impairment loss / (Reversal of Impairment Loss)		1 202	2 169
27 CORRECTION OF ERROR IN TERMS OF GRAP 3			
The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GRAP:			
27.1 Property, Plant and Equipment			
Balance previously reported		-	8 051 664
Cost			529 605
Land transferred to Investment Property	Note 4	-	(8 817)
Property, Plant and Equipment not recorded in previous years	Note 4		250 000
Erven not recorded in Property, Plant and Equipment in prior years	Note 4	-	288 422
Accumulated Depreciation		-	(251 600)
Depreciation for Property, Plant and Equipment not previously included	Note 4	-	(1 600)
Property, Plant and Equipment not recorded in previous years	Note 4	-	(250 000)
Restated Balance		-	8 329 669
<i>Land transferred to Investment Property</i>			
27.2 Investment property			
Balance previously reported		-	208 307
Cost		-	8 817
Land transferred from Property, Plant and Equipment	Note 6	-	8 817
Accumulated Depreciation		-	-
Restated Balance		-	217 124
<i>Land transferred from Property, Plant and Equipment</i>			
27.3 VAT Receivable			
Balance previously reported		-	76 403
Input tax disallowed in prior years	Note 8	-	(41 563)
Input tax disallowed in 2012/13	Note 8	-	(2 238)
Restated Balance		-	32 602
<i>Input tax disallowed in previous years</i>			
27.4 Receivables from non-exchange Transactions			
Balance previously reported		-	1 673 675
Correction of Sundry debtors suspense account in prior years	Note 2	-	(348 836)
Correction of Sundry debtors suspense account in 2012/13	Note 2	-	148 416
Correction of Construction debtor not raised in 2012/13	Note 2	-	50 000
Correction of SARS debtor	Note 2		(727 740)
Restated Balance		-	795 516
<i>Clear of sundry debtor suspense account from previous years</i>			
27.5 Cash and Cash Equivalents			
Balance previously reported		-	59 254 271
Correct of cashbook reconciling error from previous years	Note 1	-	400
Restated Balance		-	59 254 671
<i>Reconciling cashbook error from previous years</i>			

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
27.6 Trade and other Payables from exchange transactions			
Balance previously reported		-	11 336 867
Correct of other creditors	Note 7	-	(2 516 658)
Restated Balance		-	8 820 209

Correction of payables with no movement in prior years

27.7 Accumulated Surplus / Deficit - 1 July 2012

Input tax disallowed in prior years	-	(41 563)
Correction of Sundry debtors suspense account in prior years	-	(348 836)
Correction of SARS debtor	-	(727 740)
Erven not recorded in Property, Plant and Equipment in prior years	-	288 422
Correct of cashbook reconciling error from previous years	-	400
Correction of other creditors	-	2 516 658
Cost - Property, Plant and Equipment not recorded in previous years	-	250 000
Accumulated Depreciation - Property, Plant and Equipment not recorded in previous years	-	(250 000)
Total	-	1 687 342

28 CASH GENERATED BY OPERATIONS

Surplus/(deficit) for the year	(7 220 777)	(7 773 663)
Adjustment for:-		
Depreciation and amortisation	1 877 913	1 864 708
(Gain) / loss on sale of assets	(13 665)	234 737
Government Grants and Subsidies received	44 597 776	36 664 653
Government Grants and Subsidies recognised as revenue	(39 078 920)	(37 483 656)
Contribution to provisions - Non-Current Provisions	450 732	(1 056 812)
Contribution to provisions - Actuarial (Gain) / Loss (Post Retirement Medical Benefit)	(384 705)	3 287 877
Contribution to provisions - Actuarial (Gain) / Loss (Long Service Award Benefit)	6 596	(40 820)
Debt Impairment	349 828	(1 450 592)
Operating lease income	-	(7 341)
Operating lease expense	-	70 804
Impairment loss / (reversal of impairment loss)	1 202	2 169
Operating surplus before working capital changes:	585 979	(5 687 935)
(Increase)/decrease in Receivables	(681 526)	1 495 067
(Increase)/decrease in VAT receivable	(297 599)	183 610
Increase/(decrease) in Trade payables	(5 994 786)	2 799 725
Increase/(decrease) in Current Employee Benefits	207 866	84 876
Cash generated by/(utilised in) operations	(6 180 066)	(1 124 658)

29 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following:

Bank balances and cash - Note 1	49 501 657	59 254 271
Bank overdrafts	-	-
Net cash and cash equivalents (net of bank overdrafts)	49 501 657	59 254 271

30 RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES

Cash and Cash Equivalents - Note 29	49 501 657	59 254 271
<u>Less:</u>		
Unspent Committed Conditional Grants - Note 10	(9 049 487)	(3 530 631)
Net cash resources available for internal distribution	40 452 170	55 723 640
<u>Allocated to:</u>		
Reserves	(1 514 731)	(939 256)
Resources available for working capital requirements	38 937 439	54 784 384

31 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

Long-term liabilities (see Note 11)	209 469	231 708
Used to finance property, plant and equipment – at cost	(209 469)	(231 708)
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities	-	-

Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

32 DISALLOWED

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
32.1 Unauthorised expenditure			
Reconciliation of unauthorised expenditure			
Opening balance		3 727 710	1 050 493
Unauthorised expenditure current year		-	3 727 710
Condoned by Council on 20 June 2013		(3 727 710)	(1 050 493)
Transfer to receivables for recovery		-	-
Unauthorised expenditure awaiting authorisation		-	3 727 710

	Note	2014 R	2013 R
32.2 Fruitless and wasteful expenditure			
Reconciliation of fruitless and wasteful expenditure			
Opening balance -		-	-
Fruitless and wasteful expenditure current year		-	-
Condoned or written off by Council		-	-
To be recovered – contingent asset		-	-
Fruitless and wasteful expenditure awaiting condonement		-	-

	Note	2014 R	2013 R
32.3 Irregular expenditure			
Reconciliation of irregular expenditure			
Opening balance		2 661 703	-
Irregular expenditure current year		-	2 661 703
Written off after investigation by Council on 27 August 2014		(2 661 703)	-
Transfer to receivables for recovery – not condoned		-	-
Irregular expenditure awaiting condonement by Council		-	2 661 703
Irregular expenditure awaiting condonement from National Treasury		2 661 703	2 661 703

Supply Chain Management deviations not reported to Council

Incident	Disciplinary steps		
Procurement and Contract Management: R 0 - R 2 000			
Deviations from the Supply Chain regulations - 3 Quotations not obtained	None	-	444 560
Procurement and Contract Management: R 2 000 - R 10 000			
Deviations from the Supply Chain regulations - 3 Quotations not obtained	None	-	1 073 997
Procurement and Contract Management: R 10 000 - R 30 000			
Deviations from the Supply Chain regulations - No original tax clearance certificate	None	-	29 000
Deviations from the Supply Chain regulations - 3 Quotations not obtained	None	-	580 397
Procurement and Contract Management: R 30 000 - R 200 000			
Deviations from the Supply Chain regulations - 3 Quotations not obtained	None	-	533 749
		-	2 661 703

ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE
33 MANAGEMENT ACT

	Note	2014 R	2013 R
33.1 Contributions to organised local government - [MFMA 125 (1)(b)] - (SALGA CONTRIBUTIONS)			
Opening balance		-	-
Council subscriptions		450 000	400 000
Amount paid - current		(450 000)	(400 000)
Amount paid - previous years		-	-
Balance unpaid (included in payables)		-	-
33.2 Audit fees - [MFMA 125 (1)(c)]			
Opening balance		-	-
Current year audit fee		2 054 986	1 851 644
Amount paid - current year		(2 054 986)	(1 851 644)
Amount paid - previous years		-	-
Balance unpaid (included in payables)		-	-

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
33.3 VAT - [MFMA 125 (1)(c)]			
Opening balance		32 602	365 960
Amounts received - current year		(1 148 277)	(1 575 383)
Amounts claimed - current year (payable)		1 262 997	1 285 826
Amount overpaid owed by South African Revenue Services		182 879	-
Correction of error - VAT Disallowment (Note 27.3)		-	(43 801)
Amount paid - previous year		-	-
		330 201	32 602

VAT is payable on the receipt basis. Only once payment is received from the debtors is VAT paid over to SARS. All VAT returns have been submitted by the due date throughout the year.

33.4 PAYE and UIF - [MFMA 125 (1)(c)]

Opening balance		-	-
Current year payroll deductions		4 793 634	3 259 471
Amount paid - current year		(4 793 634)	(3 259 471)
Amount paid - previous years		-	-
Balance unpaid (included in payables)			

33.5 Pension and Medical Aid Deductions - [MFMA 125 (1)(c)]

Opening balance		-	-
Current year payroll deductions and Council Contributions		6 491 119	7 153 329
Amount paid - current year		(6 491 119)	(7 153 329)
Amount paid - previous years		-	-
Balance unpaid (included in payables)			

33.6 Non-compliance with Chapter 14 of the Municipal Finance Management Act

Non-compliance to the Supply Chain Management Regulations were identified on the following categories:

	Type of Deviation		
	Single Supplier	Impractical	Emergency
July	7 578	166 980	1 069
August	26 958	181 320	598
September	36 212	239 842	3 028
October	47 674	299 218	175
November	48 334	103 571	-
December	19 430	599 246	419 787
January	14 511	179 476	-
February	22 080	194 749	1 235
March	11 420	116 128	2 748
April	60 795	114 437	968
May	12 421	59 767	716
June	13 835	93 565	500
	321 248	2 348 299	430 826

34 CONTINGENT LIABILITY / ASSETS

The Municipality is currently in dispute with SARS over an amount of R 727 739.74. This amount was deducted by SARS for outstanding EMP 201 returns from 2002. The municipality is of the opinion that they will recover the full amount from SARS once supporting documentation is submitted to SARS.

35 IN-KIND DONATIONS AND ASSISTANCE

The municipality did not receive any in-kind donations or assistance during the year under review.

36 RELATED PARTIES

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers.

36.1 Compensation of key management personnel

The compensation of key management personnel is set out in note 18 to the Annual Financial Statements.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014	2013
		R	R

37 EVENTS AFTER THE REPORTING DATE

The Municipality is not aware of any events after the reporting date.

38 FINANCIAL RISK MANAGEMENT

The activities of the municipality expose it to a variety of financial risks, including credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price Risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/(deficit) for the year due to changes in interest rates were as follow:

1% (2013: 1%) Increase in interest rates	495 017	592 543
1% (2013: 1%) Decrease in interest rates	(495 017)	(592 543)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the Municipality to incur financial loss.

Credit risk arises mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Trade and other receivables are disclosed net after provisions are made for impairment and bad debts. Trade receivables comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other receivables is considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

All rates are payable within 30 days from invoice date. Refer to note 2 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms.

	2014	2014
	%	R
Non-exchange Receivables		
Rates	20.23%	204 874
Other	79.77%	807 814
	<hr style="border: 0.5px solid black;"/>	<hr style="border: 0.5px solid black;"/>
	100.00%	1 012 688

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

<u>Non-exchange Receivables</u>	Note	2014 R	2013 R
	2013 %	2013 %	2013 R
Rates		25.14%	190 165
Other		74.86%	566 136
	<u>100.00%</u>	<u>100.00%</u>	<u>756 302</u>

No receivables are pledged as security for financial liabilities.

Due to short term nature of trade and other receivables the carrying value disclosed in note 2 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.

The provision for bad debts could be allocated between the different classes of receivables as follow:

<u>Non-exchange Receivables</u>	2014 %	2014 R
Rates	5.04%	204 874
Other	94.96%	3 862 976
	<u>100.00%</u>	<u>4 067 850</u>

<u>Non-exchange Receivables</u>	2013 %	2013 R
Rates	0.00%	-
Other	100.00%	3 718 022
	<u>100.00%</u>	<u>3 718 022</u>

The provision for bad debts could be allocated between the different categories of receivables as follow:

	2014 %	2014 R
Government	81.08%	3 298 375
Industrial	14.69%	597 577
Residential	4.23%	171 897
	<u>100.00%</u>	<u>4 067 850</u>

	2013 %	2013 R
Government	81.66%	3 036 065
Industrial	15.05%	559 543
Residential	3.29%	122 414
	<u>100.00%</u>	<u>3 718 022</u>

Non-Exchange Receivables		
2014		
1 month past due		5 737
2+ months past due		<u>1 097 038</u>
		<u>1 102 774</u>
2013		
1 month past due		43 686
2+ months past due		<u>350 705</u>
		<u>394 392</u>

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
Bad debts written-off per receivable class:			
Non-exchange Receivables		2014 %	2014 R
Rates		0.00%	-
Other		0.00%	-
		0.00%	-
Non-exchange Receivables		2013 %	2013 R
Rates		0.00%	-
Other		0.00%	-
		0.00%	-

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

Financial assets exposed to credit risk at year end are as follows:

Investments	1 146	1 146
Receivables from non-exchange transactions	4 106 190	4 473 792
Cash and Cash Equivalents	49 501 657	59 254 671
	53 608 993	63 729 609

(e) Liquidity Risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		Between 1 and 5 years	
		Less than 1 year	Between 1 and 5 years
2014			
Long-term Liabilities	100 448	177 020	
Trade and Other Payables	2 825 423	-	
	2 925 871	177 020	
2013			
Long-term Liabilities	117 446	182 529	
Trade and Other Payables	8 820 209	-	
	8 937 655	182 529	

39 FINANCIAL INSTRUMENTS

In accordance with GRAP 104.45 the financial liabilities and assets of the municipality are classified as follows:

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	<u>Note</u>	2014 R	2013 R
	<u>Classification</u>		
39.1 Financial Assets			
Investments			
Unlisted Investments	Available for sale	1 146	1 146
Receivables from Non-Exchange Transactions			
Sundry Debtors	Loans and Receivables	4 106 190	4 473 792
Cash and Cash Equivalents			
Bank Balances	Loans and Receivables	4 615 020	3 133 191
Call Deposits	Loans and Receivables	44 885 831	56 120 675
Cash Floats and Advances	Loans and Receivables	805	805
Total Financial Assets		53 608 993	63 729 609
<hr/>			
SUMMARY OF FINANCIAL ASSETS			
Financial Instruments at cost:			
Investments	Unlisted Investments	1 146	1 146
Financial Instruments at amortised cost:			
Receivables from Non-exchange Transactions	Sundry Debtors	4 106 190	4 473 792
Cash and Cash Equivalents	Bank Balances	4 615 020	3 133 191
Cash and Cash Equivalents	Cash Floats and Advances	44 885 831	56 120 675
Cash and Cash Equivalents	Call Deposits	805	805
Total Financial Assets		53 607 847	63 728 463
Total Financial Assets		53 608 993	63 729 609
<hr/>			
39.2 Financial Liabilities			
Long-term Liabilities			
Capitalised Lease Liability	Financial Instruments at amortised cost	137 407	146 078
Trade and Other Payables			
Trade Creditors	Financial Instruments at amortised cost	65 178	732 805
Payments received in advance	Financial Instruments at amortised cost	58 305	28 755
Other Creditors	Financial Instruments at amortised cost	1 434 514	2 680 798
Current Portion of Long-term Liabilities			
Capitalised Lease Liability	Financial Instruments at amortised cost	72 062	85 631
		1 767 465	3 674 066
<hr/>			
SUMMARY OF FINANCIAL LIABILITIES			
Financial instruments at amortised cost:			
Long-term Liabilities	Capitalised Lease Liability	137 407	146 078
Trade and Other Payables	Trade Creditors	65 178	732 805
Trade and Other Payables	Payments received in advance	58 305	28 755
Trade and Other Payables	Other Creditors	1 434 514	2 680 798
Current Portion of long-term liabilities	Capitalised Lease Liability	72 062	85 631
		1 767 465	3 674 066

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014	2013
		R	R
40 BUDGET COMPARISONS			
40.1 <u>Operational Budget by source/type</u>		2014 Actual R	2014 Budget R
Revenue by source			
Property rates		-	-
Property rates - penalties & collection charges		-	-
Service charges - electricity revenue		-	-
Service charges - water revenue		-	-
Service charges - sanitation revenue		-	-
Service charges - refuse revenue		-	-
Service charges - other		-	-
Rental of facilities and equipment	585 122	927 375	(342 253)
Interest earned - external investments	2 805 105	1 450 000	1 355 105
Interest earned - outstanding debtors	59 053	100 000	(40 947)
Dividends received	-	-	-
Fines	-	5 000	(5 000)
Licences and Permits	-	-	-
Agency services	5 311 472	13 956 561	(8 645 090)
Transfers recognised	45 779 969	56 461 496	(10 681 527)
Transfers recognised - capital	-	1 455 000	(1 455 000)
Other revenue	1 717 795	1 325 000	392 795
Gains on disposal of PPE	13 665	400 000	(386 335)
Total Revenue (excluding capital transfers and contributions)	56 272 180	76 080 432	(19 808 252)
Expenditure by Type			
Employee related costs	32 379 649	33 928 533	(1 548 884)
Remuneration of councillors	2 422 303	2 503 578	(81 275)
Debt Impairment	349 828	-	349 828
Depreciation & asset impairment	1 877 911	1 931 200	(53 289)
Finance charges	1 494 457	1 171 597	322 860
Bulk purchases	-	-	-
Other materials	-	-	-
Contracted services	469 206	8 520 973	(8 051 768)
Transfers and grants	3 425 414	10 056 000	(6 630 586)
Other expenditure	21 074 190	26 874 281	(5 800 091)
Loss on disposal of PPE	-	-	-
Total Expenditure	63 492 957	84 986 162	(21 493 205)
Surplus/(Deficit) for the year	(7 220 777)	(8 905 730)	1 684 952
Details of material variances			
Refer to Note 43.2 for explanations.			
40.2 <u>Operational Budget by Standard Classification</u>		2014 Actual R	2014 Budget R
Revenue - Standard			
Governance and Administration			
Executive and council	4 755 503	12 513 238	(7 757 735)
Budget and Treasury Office	29 842 357	29 398 295	444 062
Corporate Services	5 246 747	9 088 602	(3 841 855)
Community and Public Safety			
Community and Social Services	2 300 000	2 300 000	-
Sport and Recreation			-
Public Safety	1 089 196	1 791 000	(701 804)
Housing	-	-	-
Health	-	-	-
Economic and Environmental Services			
Planning and Development	13 038 379	20 981 110	(7 942 731)
Road Transport	-	8 187	(8 187)
Environmental Protection			

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R	2013 R
Trading Services			
Electricity		-	-
Water		-	-
Waste Water Management		-	-
Waste Management		-	-
Other		-	-
Total Revenue		56 272 182	76 080 432
		2014 Actual R	2014 Budget R
Expenditure - Standard			2014 Variance R
Governance and Administration			
Executive and council		19 634 663	27 653 079
Budget and Treasury Office		4 836 159	4 887 991
Corporate Services		9 172 975	13 775 086
Community and Public Safety			
Community and Social Services		4 309 588	4 409 046
Sport and Recreation		-	-
Public Safety		4 020 665	4 720 295
Housing		-	(699 630)
Health		61 845	61 900
Economic and Environmental Services			
Planning and Development		21 457 064	28 624 392
Road Transport		-	854 372
Environmental Protection		-	(854 372)
Trading Services			
Electricity		-	-
Water		-	-
Waste Water Management		-	-
Waste Management		-	-
Other		-	-
Total Expenditure		63 492 958	84 986 162
Surplus/(Deficit) for the year		(7 220 777)	(8 905 730)
		2014 Actual R	2014 Budget R
1 684 953			

Details of material variances

Refer to Note 43.2 for explanations.

	2014 Actual R	2014 Budget R	2014 Variance R
40.3 Capital Expenditure by Standard Classification			
Governance and Administration			
Executive and council	48 761	67 000	(18 239)
Budget and Treasury Office	90 285	100 000	(9 715)
Corporate Services	2 451 937	3 540 000	(1 088 063)
Community and Public Safety			
Community and Social Services	-	-	-
Sport and Recreation	-	-	-
Public Safety	695 244	1 010 000	(314 756)
Housing	-	-	-
Health	-	-	-
Economic and Environmental Services			
Planning and Development	261 271	430 000	(168 729)
Road Transport	-	-	-
Environmental Protection	-	-	-
Trading Services			
Electricity	-	-	-
Water	-	-	-
Waste Water Management	-	-	-
Waste Management	-	-	-
Other	-	-	-
Total Capital Expenditure	3 547 498	5 147 000	(1 599 502)

Details of material variances

Refer to Note 43.2 for explanations.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014	2013
		R	R
40.4 Operational Budget by Municipal Vote		2014	2014
		Actual	Budget
		R	R
Municipal Manager			
Executive and council		4 755 503	12 513 238
Director: Finance			(7 757 735)
Budget and Treasury Office		29 842 357	29 398 295
Director: Administration			444 062
Corporate Services		5 246 747	9 088 602
Director: Economic Development			(3 841 855)
Planning and Development		13 038 379	20 981 110
Director: Community Services			(7 942 731)
Community and Social Services		2 300 000	2 300 000
Environmental Protection		-	-
Sport and Recreation		-	-
Public Safety		1 089 196	1 791 000
Housing		-	(701 804)
Health		-	-
Director: Technical Services			-
Road Transport		-	8 187
Electricity		-	(8 187)
Water		-	-
Waste Water Management		-	-
Waste Management		-	-
Total Revenue		56 272 182	76 080 432
			(19 808 250)
Expenditure - Vote		2014	2014
		Actual	Budget
		R	R
Municipal Manager			
Executive and council		19 634 663	27 653 079
Director: Finance			(8 018 416)
Budget and Treasury Office		4 836 159	4 887 991
Director: Administration			(51 833)
Corporate Services		9 172 975	13 775 086
Director: Economic Development			(4 602 112)
Planning and Development		21 457 064	28 624 392
Director: Community Services			(7 167 328)
Community and Social Services		4 309 588	4 409 046
Environmental Protection		-	(99 458)
Sport and Recreation		-	-
Public Safety		4 020 665	4 720 295
Housing			(699 630)
Health		61 845	61 900
Director: Technical Services			(55)
Road Transport		-	854 372
Electricity		-	(854 372)
Water		-	-
Waste Water Management		-	-
Waste Management		-	-
Total Expenditure		63 492 958	84 986 162
Surplus/(Deficit) for the year		(7 220 777)	(8 905 730)
			1 684 953

Details of material variances

Refer to Note 43.2 for explanations.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

	Note	2014 R 2014 Actual R	2014 R 2014 Budget R	2013 R 2014 Variance R
40.5 Capital Expenditure by Municipal Vote				
Municipal Manager				
Executive and council		48 761	67 000	(18 239)
Director: Finance				
Budget and Treasury Office		90 285	100 000	(9 715)
Director: Administration				
Corporate Services		2 451 937	3 540 000	(1 088 063)
Director: Economic Development				
Planning and Development		261 271	430 000	(168 729)
Director: Community Services				
Community and Social Services		-	-	-
Environmental Protection		-	-	-
Sport and Recreation		-	-	-
Public Safety		695 244	1 010 000	(314 756)
Housing		-	-	-
Health		-	-	-
Director: Technical Services				
Road Transport		-	-	-
Electricity		-	-	-
Water		-	-	-
Waste Water Management		-	-	-
Waste Management		-	-	-
Total Capital Expenditure		3 547 498	5 147 000	(1 599 502)

Details of material variances

Refer to Note 43.2 for explanations.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note	2014	2013
	R	R

41 PRIVATE PUBLIC PARTNERSHIPS

Council has not entered into any private public partnerships during the financial year.

42 FINANCIAL SUSTAINABILITY

Management is of the opinion that the municipality will continue to operate as a going concern and perform its functions as set out in the Constitution.

The indicators or conditions that may, individually or collectively, cast significant doubt about the going concern assumption are as follows:

Financial Indicators

The current ratio decreased to 2.92:1 from 3.38:1 in the prior year.

The municipality have budgeted for a deficit of R 8 906 000 for the 2013/2014 financial year. The municipality is also budgeting for negative cash flows during 2014/2015 and 2015/2016 amounting to R 10 594 000 and R 11 959 000 respectively.

43 BUDGET INFORMATION

43.1 Explanation of variances between approved and final budget amounts

The reasons for the variances between the approved and final budgets are mainly due to virements, and the reprioritising of projects, with the corresponding changes to funding sources.

43.2 Explanation of variances greater than 5%: Final Budget and Actual Amounts

Statement of Financial Position

43.2.1 Current Assets

Cash and Cash Equivalents

Increase due to savings on operating budget and conditional grants not spent during the year.

Other Debtors

Outstanding amount from Department of Roads and Public Works not recovered during the year.

43.2.2 Non-Current Assets

Investment Property

Increase due to review of remaining useful lives of assets and assessment for impairment.

Property, Plant and Equipment

Increase due to review of remaining useful lives of assets, assessment for impairment and underspending of capital budget.

Intangible Assets

Increase due to review of remaining useful lives of assets and assessment for impairment.

43.2.3 Current Liabilities

Borrowing

Increase due to new finance leases.

Trade and Other Payables

Increase due to conditional grants not spent during the year and payables on year-end.

Provisions

Increase in provision for staff leave.

43.2.4 Non-Current Liabilities

Borrowing

Increase due to new finance leases.

Provisions

Decrease due to actuarial gain on post-retirement benefits.

43.2.5 Net Assets

Reserves

Decrease due to Capital Replacement Reserve used to finance capital expenditure.

Namakwa District Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June

	Note	2014	2013
		R	R

Statement of Financial Performance

43.2.6 Revenue

Rental of Facilities and Equipment

Decrease due to decrease in rental of facilities.

Interest Earned - External Investments

Increase due to increase in interest rates.

Interest Earned - Outstanding Debtors

Decreased due to less outstanding debtors.

Agency Services

Decrease due to decrease in functions performed on behalf of Provincial Departments.

Transfers Recognised

Decrease due to decrease in grant expenditure.

Other Revenue

Increase due to shared services contributions received from B-Municipalities.

43.2.7 Expenditure

Finance Charges

Increase due to increase in interest cost of post-retirement benefits and new finance leases.

Contracted Services

Decreased due to the removal of implementing agent function expenses.

Transfers and Grants

Decrease due to Government Grants not spent on year-end.

Other Expenditure

Decrease due to decrease in projects and budget monitoring.

Cash Flow Statement

43.2.8 Net Cash from Operating Activities

Receipts

Variances due to decrease in functions performed on behalf of Provincial Departments, increase in cash and cash equivalents and reprioritising of projects.

Payments

Decrease due to reprioritising of projects and budget monitoring.

43.2.9 Net Cash from Investing Activities

Capital Assets

Decrease due to reprioritising of capital projects.

43.2.10 Net Cash from Financing Activities

Borrowing

Increase due to new finance leases.

44 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

Approved and contracted for:

Infrastructure
 Community
 Other

-
 -
 473 395

Total

473 395

This expenditure will be financed from:

Government Grants

473 395

Total

473 395

Namakwa District Municipality

APPENDIX A
SCHEDULE OF EXTERNAL LOANS

as at 30 June 2014

EXTERNAL LOANS	Loan number	Redeemable Date	Balance at 30 June 2013	Received during the period	Redeemed / written off during the period	Balance at 30 June 2014	Carrying Value of Property, Plant & Equipment	Other Costs in accordance with MFMA
							R	R
LEASE LIABILITY								
Office Equipment and Tablets	NDM006-460818	31/03/2019	231 708	71 990	(94 230)	209 469	188 098	-
TOTAL EXTERNAL LOANS	-	-	231 708	71 990	(94 230)	209 469	188 098	-

The supplementary information set out in this appendix does not form part of the financial statements and is presented as additional information. Therefore this appendix is not audited.

Namakwa District Municipality

APPENDIX B

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE: MUNICIPAL VOTE CLASSIFICATION

for the year ended 30 June 2014

2013 Actual Income R	2013 Actual Expenditure R	2013 Surplus/ (Deficit) R		2014 Actual Income R	2014 Actual Expenditure R	2014 Surplus/ (Deficit) R
3 371 459	23 128 536	(19 757 076)	Municipal Manager	4 755 503	19 634 663	(14 879 160)
28 383 555	5 031 664	23 351 891	Director: Finance	29 842 357	4 836 159	25 006 199
6 950 581	9 316 126	(2 365 545)	Director: Corporate Services	5 246 747	9 172 975	(3 926 228)
22 447 497	27 541 225	(5 093 728)	Director: Economic Development	13 038 379	21 457 064	(8 418 685)
2 646 980	6 750 762	(4 103 782)	Director: Community and Social Services	3 389 196	8 392 098	(5 002 902)
-	-	-	Director: Technical Services	-	-	-
63 800 073	71 768 313	(7 968 241)	Sub Total	56 272 182	63 492 958	(7 220 777)
-	-	-	Less Inter-Departmental Charges	-	-	-
63 800 073	71 768 313	(7 968 241)	Total	56 272 182	63 492 958	(7 220 777)

The supplementary information set out in this appendix does not form part of the financial statements and is presented as additional information. Therefore this appendix is not audited.

Namakwa District Municipality
APPENDIX C
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
as at 30 June 2014

	Cost / Revaluation					Accumulated Depreciation and Impairment								Carrying value
	Opening Balance	Additions	Take-on Assets	Disposals	Closing Balance	Opening Balance	Additions	Take-on Assets	Impairments	Transfer in	Transfer out	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Executive Mayor	117 737	-	-	(19 382)	98 355	80 500	16 817	-	217	1 540	(3 996)	(16 720)	78 359	19 996
Mayor: PA	51 602	6 073	-	(6 228)	51 447	25 370	9 381	-	-	248	(745)	(6 228)	28 025	23 421
Speaker	62 965	-	-	(5 522)	57 443	45 408	9 018	-	-	1 229	(3 181)	(5 259)	47 215	10 228
Speaker: Secretary	41 064	-	-	(4 648)	36 415	26 996	5 515	-	-	262	(706)	(4 648)	27 418	8 997
Council: Councillors	5 432	-	-	-	5 432	4 527	453	-	-	-	-	-	4 979	453
Council Exp: Admin	10 105 276	5 842	721 858	(285 954)	10 547 021	6 176 071	291 269	-	238	262 697	(31 913)	(217 999)	6 480 363	4 066 659
Community Development Officer	15 540	-	-	-	15 540	9 324	3 108	-	-	-	-	-	12 432	3 108
Municipal Manager	166 250	24 669	-	-	190 919	74 721	28 209	-	-	143	(572)	-	102 501	88 417
Municipal Manager Admin	34 752	-	-	(1 518)	33 234	24 758	4 061	-	-	40	(162)	(1 497)	27 200	6 034
Deputy Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal Audit	28 040	-	-	-	28 040	10 502	4 086	-	28	76	(304)	-	14 388	13 652
Administration - Admin	632 197	-	-	(27 867)	604 330	382 195	81 202	-	193	4 759	(15 433)	(27 712)	425 204	179 126
Administration - HR	74 132	50 730	-	-	124 862	56 645	16 599	-	-	1 010	(3 231)	-	71 022	53 839
Equitable Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manager - Finance	850 891	64 068	-	(34 174)	880 785	552 411	164 988	-	-	25 690	(76 297)	(33 815)	632 977	247 808
Finance - Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance - Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Safety	1 040 129	691 085	-	(8 947)	1 722 267	303 512	190 369	-	-	1 435	(3 207)	(7 279)	484 829	1 237 439
Head - Economic Development	106 251	10 039	-	(638)	115 652	49 248	19 251	-	-	909	(2 786)	(629)	65 993	49 659
Development & Marketing Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tourism	315 790	-	-	-	315 790	195 434	45 905	-	525	5 118	(15 117)	-	231 865	83 925
Problem Animal Control	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Head: Socio-Economic Develop	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PIMS	471 398	242 775	-	(1 518)	712 655	315 325	50 563	-	-	5 046	(11 662)	(1 517)	357 755	354 900
Head Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Council Buildings	1 790 844	1 348 453	-	(12 775)	3 126 523	641 369	236 304	-	-	5 688	(17 393)	(12 773)	853 195	2 273 328
Council Vehicles	2 641 567	1 008 006	-	(580 070)	3 069 503	1 737 629	502 762	-	-	17 631	(61 694)	(473 724)	1 722 604	1 346 899
Council Projects	369 747	-	-	(4 784)	364 963	254 584	56 292	-	-	6 296	(20 596)	(4 779)	291 797	73 166
Environmental Health	160 582	-	12 886	-	173 468	88 760	28 598	-	-	2 182	(7 343)	-	112 198	61 270
Operational and Maintenance	13 762	-	-	-	13 762	11 127	2 477	-	-	1 171	(2 398)	-	12 377	1 385
PMU	17 481	-	-	-	17 481	4 165	4 242	-	-	28	(84)	-	8 351	9 130
Total	19 113 429	3 451 741	734 743	(994 026)	22 305 887	11 070 581	1 771 468	-	1 202	343 198	(278 821)	(814 579)	12 093 049	10 212 839

The supplementary information set out in this appendix does not form part of the financial statements and is presented as additional information. Therefore this appendix is not audited.

Namakwa District Municipality
APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE: GENERAL FINANCE STATISTICAL CLASSIFICATION
for the year ended 30 June 2014

2013			2014			
Actual Income	Actual Expenditure	Surplus / (Deficit)	Actual Income	Actual Expenditure	Surplus / (Deficit)	
R	R	R	R	R	R	
3 371 459	22 933 958	(19 562 498)	Executive & Council	4 755 503	19 634 663	(14 879 160)
28 383 555	5 031 664	23 351 891	Budget & Treasury Office	29 842 357	4 836 159	25 006 199
-	-	-	Waste Management	-	-	-
22 447 497	27 541 225	(5 093 728)	Planning & Development	13 038 379	21 457 064	(8 418 685)
-	50 742	(50 742)	Health	-	61 845	(61 845)
2 000 000	4 323 116	(2 323 116)	Community & Social Services	2 300 000	4 309 588	(2 009 588)
-	-	-	Housing	-	-	-
646 980	2 376 905	(1 729 925)	Public Safety	1 089 196	4 020 665	(2 931 469)
-	-	-	Sport & Recreation	-	-	-
-	-	-	Environmental Protection	-	-	-
6 950 581	9 316 126	(2 365 545)	Corporate Services	5 246 747	9 172 975	(3 926 228)
-	-	-	Road Transport	-	-	-
-	-	-	Waste Water Management	-	-	-
-	-	-	Water	-	-	-
-	-	-	Electricity	-	-	-
-	-	-	Other	-	-	-
63 800 073	71 573 735	(7 773 663)		56 272 182	63 492 958	(7 220 777)
-	-	-	Less: Inter-Department Charges	-	-	-
63 800 073	71 573 735	(7 773 663)	Total	56 272 182	63 492 958	(7 220 777)

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Namakwa District Municipality
APPENDIX E
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2014
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS
GENERAL FINANCE STATISTIC CLASSIFICATIONS

	2014 Actual	2014 Under Construction	2014 Total Additions	2014 Budget	2014 Variance	2014 Variance	Explanation of Significant Variances greater than 5% versus Budget
	R	R	R	R	R	%	
Executive & Council	48 761	-	48 761	67 000	(18 239)	-27.22%	Savings realised on the purchase of office. A budget for a scanner was provided but was not deemed necessary which generated a saving.
Budget & Treasury Office	90 285	-	90 285	100 000	(9 715)	-9.72%	Savings realised on the purchase of computer equipment that was done on tender.
Corporate Services	2 451 937	-	2 451 937	3 540 000	(1 088 063)	-30.74%	Portion of the parking area project was funded out of Expanded Public Works Program funding which generated a saving on the budget.
Planning & Development	261 271	-	261 271	430 000	(168 729)	-39.24%	Savings realised on the purchase of the recording system, touch screen monitors and vehicle tracking system of the Council. Touch screen recorded in next financial year.
Health	-	-	-	-	-	0.00%	
Community & Social Services	-	-	-	-	-	0.00%	
Housing	-	-	-	-	-	0.00%	
Public Safety	695 244	-	695 244	1 010 000	(314 756)	-31.16%	The fire fighting trailers that were purchased were only received in the new financial year.
Sport & Recreation	-	-	-	-	-	0.00%	
Environmental Protection	-	-	-	-	-	0.00%	
Waste Management	-	-	-	-	-	0.00%	
Waste Water Management	-	-	-	-	-	0.00%	
Road Transport	-	-	-	-	-	0.00%	
Water	-	-	-	-	-	0.00%	
Electricity	-	-	-	-	-	0.00%	
Total	3 547 498	-	3 547 498	5 147 000	(1 599 502)	-31.08%	

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Namakwa District Municipality
APPENDIX F
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 30 June 2013	Contributions during the year	Correction of Error	Repaid to National Revenue Fund	Operating Expenditure during the year	Capital Expenditure during the year	Balance 30 June 2014	Unspent 30 June 2014 (Creditor)	Unpaid 30 June 2014 (Debtor)
National Government Grants									
Finance Management Grant	74 944	1 250 000	-	(74 000)	(1 175 633)	(25 083)	50 229	50 229	-
RSC Levies Replacement Grant	-	24 924 000	-	-	(24 924 000)	-	-	-	-
Equitable Share	-	3 846 000	-	-	(3 846 000)	-	-	-	-
Concillors Remuneration Grant	-	2 078 000	-	-	(2 078 000)	-	-	-	-
Health Inspector's Subsidy	-	2 300 000	-	-	(2 300 000)	-	-	-	-
Municipal Infrastructure Grant	5 546	-	-	-	-	-	5 546	5 546	-
Municipal System Improvement Grant	3 115	680 000	-	-	(304 291)	(376 370)	2 454	2 454	-
PIMS	2 255	-	-	-	-	-	2 255	2 255	-
Total National Government Grants	85 860	35 078 000	-	(74 000)	(34 627 924)	(401 453)	60 483	60 483	-
Provincial Government Grants									
Border Fencing	54 239	-	-	-	-	-	54 239	54 239	-
Civil Defence Subsidy	691 112	300 000	-	-	(78 869)	(695 244)	217 000	217 000	-
Drought Relief	73 874	-	-	-	(73 874)	-	(0)	-	(0)
EPWP	416 523	1 000 000	-	-	(1 335 389)	-	81 134	81 134	-
Fire Equipment Grant	913 410	300 000	-	-	(38 899)	(277 852)	896 659	896 659	-
IDP/LDO	342 065	210 000	-	-	(93 843)	-	458 222	458 222	-
Komaggas Road	1	-	-	-	-	-	1	1	-
SA Projects	8	-	-	-	-	-	8	8	-
Namaqua Sanitation Bucket System	213 395	-	-	-	(56 281)	-	157 114	157 114	-
NC Housing	374 823	81 100	-	-	-	-	455 923	455 923	-
Sakrivier Bridge	8 187	-	-	-	-	-	8 187	8 187	-
Khotosa Pula Nala	-	7 551 000	-	-	(1 125 785)	-	6 425 215	6 425 215	-
Fencing	42 555	-	-	-	(42 555)	-	-	-	-
Electronic Filing System	15 227	-	-	-	-	-	15 227	15 227	-
Total Provincial Government Grants	3 145 419	9 442 100	-	-	(2 845 495)	(973 096)	8 768 928	8 768 928	(0)
Other Grant Providers									
Maintenance Fund	-	-	-	-	-	-	-	-	-
Spoegrivier Sport Ground (Lotto)	5 290	-	-	-	-	-	5 290	5 290	-
Swartkopp Sport Ground (Lotto)	207 475	-	-	-	-	-	207 475	207 475	-
Training Reserve (SETA)	81 276	151 676	-	-	(230 952)	-	2 000	2 000	-
Kamiesberg Special Fund	2 297	-	-	-	-	-	2 297	2 297	-
Richtersveld Special Fund	3 013	-	-	-	-	-	3 013	3 013	-
Total Other Grant Providers	299 351	151 676	-	-	(230 952)	-	220 075	220 075	-
Total Grants	3 530 631	44 671 776	-	(74 000)	(37 704 371)	(1 374 549)	9 049 487	9 049 487	(0)

The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received. Municipal System Improvement Grant (R 468 000) and Expanded Public Works Programme Grant (R 416 000) was withheld. Management is in the process of recovering these grants from National Treasury.

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